



## Pacific Fishery Management Council

7700 NE Ambassador Place, Suite 101, Portland, OR 97220-1384  
Phone 503-820-2280 | Toll free 866-806-7204 | Fax 503-820-2299 | [www.pcouncil.org](http://www.pcouncil.org)  
David W. Ortmann, Chairman | Donald O. McIsaac, Executive Director

DRAFT

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Dr. Jane Lubchenco, Administrator  
National Oceanic and Atmospheric Administration  
1401 Constitution Avenue, NW, Room 5128  
Washington, DC 20230

Dear Dr. Lubchenco,

The Pacific Fishery Management Council (Council) would like to express its appreciation to Ms. Margaret Spring for her presentation on the draft National Oceanic and Atmospheric Administration (NOAA) Catch Share Policy at the March Council meeting in Sacramento, California. Involvement of the states and Councils in the development of support infrastructure and catch share plans should be an important element of the NOAA Catch Share Policy. The Council was gratified to see the NOAA commitment to the balanced consideration of catch shares and the provision of fiscal and personnel resources adequate to support careful consideration of the appropriate settings and design for such programs. Council members also noted the support expressed in the document for the provision of funds to subsidize the West Coast Groundfish trawl fishery observer costs during the first few transition years of the recently adopted trawl rationalization program (Section 4.2, paragraph 2). On the whole, this policy represents a substantial step forward for a management tool that promises to greatly enhance the value of fishery resources held in trust for the American public. The Council has a few minor comments and concerns for your consideration as you move toward finalization of the NOAA Catch Share Policy.

The draft policy covers four different ways in which NOAA would provide support for a catch share program: reducing technical and administrative impediments; providing expertise; providing information to and educating stakeholders; and coordinating data collection, research, and monitoring. The Council would like to provide the following comments on these sections of the draft policy.

The Council notes that the first section, on removal of impediments, focuses mainly on the creation of new programs to facilitate efficiencies and has little mention the possibility of evaluating NOAA or legislative policy and regulations to determine whether such policies and regulations create impediments or increase the costs of catch share program. For example, while the exact form of the observer program for the West Coast trawl fishery has yet to be determined, based on initial discussions between the Council, the National Marine Fisheries Service (NMFS), and industry, it is our understanding that there may be certain national policies that could result in observer costs higher than necessary to meet the needs for monitoring catch shares.

With respect to the provision of expertise, the Council notes that it is important that experts have both general and detailed knowledge of the fisheries in specific regions. It might be useful to have some experts available that are specialists in each region of the country. These individuals could both help tailor information and presentations to that region and be available to supplement regional staff during peak demand periods in the policy development, approval, and implementation process. There is a relatively long learning curve for fisheries in each region of the country and when peak demand periods are encountered it is often simply not possible to augment staff with anyone who can provide meaningful help within the needed time frame. A cadre of experts with regional knowledge might help address this problem while at the same time enhancing their own level of expertise.

With respect to informing and educating stakeholders, the Council has no direct comments but notes policies related to informing and educating stakeholders in the three other policy sections. One of the keys to success of the Council's recently adopted trawl rationalization program will be the industry's ability to understand the implications of the new program for business planning and to assess appropriate value of catch shares. In this regard, the draft policy document contains two policies of particular importance that the Council would like to emphasize. The first of these is the development of business analysis and decision tools (Section 2.5). While the policy focuses on the use of such tools to evaluate alternative programs, such tools may be very important to industry members trying to determine the appropriate operation and investment (or divestment) strategies once a program is implemented. Closely related to these tools are the development of a centralized lien registry (Section 1.3.c) and the catch share market news (Section 4.3) to enhance market function and reduce the risk in the catch share markets, thereby reducing costs. The Council also notes that the centralized lien registry need not necessarily be nationally centralized but rather there should be no more than one lien registry for each catch share program.

With respect to coordinating data collection, research, and monitoring, the draft policy goes beyond the area of what is needed for catch shares with respect to electronic reporting goals and observer program design. For these policy areas, introductory text notes that the activities outlined are intended to advance needs that will exist "regardless of whether a catch share program is the preferred management alternative" (page 15). Imbedded in the policy for electronic reporting (Section 4.1) is the possible resurrection of a fishery information system policy document from the late 1990s, about which West Coast agencies previously expressed their concerns to both NMFS and Congress, and which never received full funding. The Council notes that any system or standardization with a national scope should, if implemented, fit within state and regional management and data collection systems already in place on the Pacific Coast. Additionally, while there may be some value and advantage gained from the availability of programming and database templates, the Council also encourages NMFS to be open to the possibility of gaining efficiency through the privatization of some data collection and processing functions that might normally reside within the agency (such as the tracking of catch share transfers). Further, the Council expresses its concern that funding made available for catch share programs should not be diverted to development of data programs which to date have not been a priority for the effective execution of regional fishery management policies, except to the extent that such enhancements are needed for the catch share program. The Council also notes that the first paragraph on the observer program (Section 4.2) states that "The most challenging elements of designing an observer program are inter-related issues of coverage/sample size, costs

and who pays for those costs (industry or government), regardless of whether the fishery uses catch shares.” While it is correct that these challenges exist regardless of the presence or absence of the catch share program, the presence and requirements of the catch program have dramatic effect on the inter-relationship of the identified issues.

Finally, the Council is interested in NOAA expectations that might be implied based on the following statements in the draft policy: “. . . it is NOAA’s intent to encourage the careful consideration of catch shares” (page 3); “in order to ‘consider’ a catch share program, a Council should specify sufficient catch share design characteristics during the scoping and development phase of . . . amendment development such that stakeholders could understand potential . . . impacts. . . .” (page 3); “There is no requirement that every . . . amendment must include a *final* catch share alternative” (emphasis added, page 3), and “*Councils should periodically review all catch share and non-catch share programs*” (page 4). Specifically, is NOAA contemplating requiring that each Council initiate scoping for a catch share plan amendment for each of its fishery management plans and sectors within each fishery? We presume not, but rather this would be a matter left to the discretion of each Council. Please advise us if that is not the case.

The Council appreciates this opportunity to review and comment on the draft NOAA Catch Share Policy and looks forward to continued NMFS support in the consideration of West Coast catch share programs.

Sincerely,

David Ortmann  
Chair

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