

Subject: Public comment under C.9.c  
Date: Fri, 4 Jun 2004 08:46:44 -0700  
From: Peter Huhtala <peter@pmcc.org>  
To: <pfmc.comments@noaa.gov>  
CC: <Donald.McIsaac@noaa.gov>

Dear Dr. McIsaac,

It appears to me that the description of the Pacific Fishery Management Council decisions regarding individual fishing quotas (IFQ) may have been misrepresented in the Situation Summary for C.9. As I recall, the Council authorized the Chair, in September 2003, to appoint members of an Ad Hoc committee to explore the possibilities for a groundfish trawl IFQ program. Then, in November 2003, the Council moved to ask NOAA Fisheries to publish a control date for both a trawl IFQ and processor quotas, and asked staff to prepare a plan for further development, including funding options.

What I don't recall is the action as described in the Situation Summary: "the Council voted unanimously to move forward with consideration of a dedicated access privilege program of individual quotas for the groundfish trawl fishery, via preparation of an EIS." Perhaps there was a de facto Council endorsement of a working document that planned for preparation of an EIS for dedicated access privileges? Maybe going forward with such an EIS was the unanimous intent of the Council?

I know that other members of the public share this concern. Certainly, public comment may have been affected if it was clear that development of such an EIS was the central matter under consideration. With only written reports provided to the Council in March and April, the opportunity of the public to talk with the Council about this matter has been limited. And of course, complaints about the exclusion of recreational, fixed gear and open access representation in the process have been consistent.

The central question, though, of exactly how the Council voted to move forward with an EIS for trawl dedicated access privileges should be easily cleared up if you were to provide the Council with a transcript of the unanimously-adopted motion that authorized this action.

Sincerely,

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June 4, 2004

Dr. Don McIssac  
Pacific Fishery Management Council  
7700 NE Ambassador Place, Suite 200  
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Re: Public Comment on IFQ development process for limited entry trawl groundfish fishery

Dear Dr McIssac:

We would like to offer some comments on the development of a potential IFQ program for the limited entry trawl sector of the groundfish fishery that the Council manages.

Our overarching observation is that with all of the recent management changes in this fishery (the buyback, rockfish conservation area, footrope restrictions) as well as the forthcoming EFH management, a comprehensive programmatic EIS of groundfish management would be necessary prior to additional management measures.

Assuming that the Council does move forward with the IFQ development, we have the following comments.

- Implementing this IFQ program with the lack of national standards for the sets a potentially fractious precedent and could greatly expand the amount of future management work the Council might have to do in implementing IFQ's in other sectors of the groundfishery and other fisheries that the Council manages.
- The Council should assess in advance, the consequences of an IFQ program on:
  - profitability of fishing operations,
  - incomes, employment, and communities,
  - the overall fishing effort
  - concentration of ownership over time
  - management costs (including complete observer and enforcement)
- The Organization for Economic Development and Cooperation (OECD) which concluded, based on their review of some 42 IFQ fisheries in OECD member countries, including the United States, that IFQ's are relatively ***less*** effective in a) multi-species/mixed stock fisheries, and b) fisheries with trip limit management (Toward Sustainable Fisheries: Economic Aspects of the Living Marine Resources, Paris, OECD, 1997)
- Other fisheries with IFQ's in US (Alaska black cod and halibut) are organized by species not by gear type. There should be no enshrinement of gear types as a permanent fixture of a fishery. Economic stability is important, but fixing a gear type is a disincentive for both the fishery and the council to adopt cleaner fishing

techniques and technologies. This will be difficult to undo and restricts the Council's options in the future, especially to respond to increasing consumer demand for certified fishery products, e.g. bycatch free table fish.

- One singular approach to the way an IFQ program is implemented in this fishery would appear to limit the options for successfully managing the full suite of issues in the groundfish fishery. Aside from the essential controls such as consolidation caps, limited time frame (e.g. 5 year holding limits) there should be quota reserves for community development that cannot be traded away from a certain geography or community economic trust.
- We suggest that this moment is a huge opportunity to implement fishing "performance standards" (bycatch, high-grading controls, 100% coverage for information gathering) the cost of which should be ultimately borne by the quota holders.
- A groundfish IFQ program should be a full retention fishery to address high-grading, with a "real-time" inter-boat trading system to ensure complete control of the TAC.
- There appears to be a need to address the definition of an IFQ from a legal property rights perspective. Holders, managers, and analysts of quotas treat them as private property rights defined or not. Is the Council prepared to "take them back" or reduce the TAC to zero for conservation purposes should the need arise? This will be very difficult if "rights" are assigned "in perpetuity" or in a de-facto manner that is essentially the same.
- Tools for analyzing the community impacts for IFQ allocations exist with the Groundfish Fleet Restructuring Project held by the Pacific States Marine Fisheries Commission.
- Further, the Council should be prepared to assess (perhaps with an independent body such as the General Accounting Office) the efficacy of its regulations to control the amount of quota that can be controlled by an individual, a corporation, or linked corporations.

Thank you for the opportunity to provide comment on the IFQ issues before the Pacific Fishery Management Council. We look forward to providing further comments in the process of the NEPA scoping that the Council has announced.

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