



Pacific Marine Conservation Council

Linking science, policy, and community to benefit the
marine environment and the people and livelihoods
connected to the sea

August 30, 2005

The Honorable Arnold Schwarzenegger
State Capitol Building
Sacramento, CA 95814

Dear Governor Schwarzenegger:

The purpose of this letter is to convey our concerns regarding the development of a groundfish trawl individual quota program on the West Coast, and provide you with information regarding an upcoming paper describing the levels of risk associated with various forms of dedicated access programs.

As the U.S. Commission on Ocean Policy (USCOP) observed: "To ensure the long-term sustainability of U.S. fisheries, maximize social and economic benefits, and reinforce the principle that living marine resources are held in public trust for the benefit of all U.S. citizens, fishery management must be improved." (*An Ocean Blueprint for the 21st Century*, p. 274). Fisheries, especially when managed using an ecosystem-based approach, as the USCOP recommends, can be prosecuted in ways that maintain healthy marine ecosystems and sustain coastal communities. Yet some of the very instruments proposed to improve fishery management stand to threaten the socioeconomic and ecological viability of the coastal states and their fishing industries.

The USCOP, along with the National Research Council, recognizes that programs involving Dedicated Access Privileges (DAPs) need to be carefully designed to achieve the intended social, economic and biological goals. This is most problematic in multispecies fisheries with large numbers of participants and many ports of landing.

Despite these caveats, and prior to federal agencies implementing national guidelines recommended by the USCOP that would set design standards for DAPs, the Pacific Fishery Management Council (Council) is pressing ahead with an individual quota program for the groundfish trawl fishery. The Council is acting with apparent disregard for the effects on other fishing gear sectors in this multispecies fleet, social and economic impacts on coastal communities, and without careful consideration of whether this type of DAP is indeed the most effective for achieving the stated goals.

Please don't allow the Council to rush into an individual quota program that undermines the recommendations of the USCOP, and threatens the marine resources and fishing communities of California and other states.

Background:

In 2003, in the wake of the expiration of a national moratorium on development of individual quota (IQ) programs, the Council set a control date, formed a committee, and began to construct an IQ plan for the groundfish trawl fishery. During the summer of 2004, NOAA Fisheries opened a public scoping period to support a trawl IQ, and provided funds and technical assistance for the analysis of options that might be included in an environmental impact statement (EIS). At its June 2005 meeting, the Council moved forward with the adoption of alternatives for that analysis.

California's marine resources at risk:

Substantive concerns exist, and have been communicated, about conservation and community equity issues, and potential community impacts associated with this IQ plan. National Standard 8 of the Sustainable Fisheries Act requires that conservation and management measures "Take into account the importance of fishery resources to fishing communities to provide for the sustained participation of, and minimize adverse impacts to, such communities (consistent with conservation requirements)." The implementation of a trawl IQ program will have significant impact to the residents in California's coastal communities. To date, this process has continued to move forward with little analysis of the extent and range of this impact, in apparent disregard of the requirements set forth in the Sustainable Fisheries Act.

In addition, we are very concerned that setting up a trawl-only IQ program will result not only in the allocation of most of the commercially-caught West Coast groundfish to those using the least selective and most destructive gear, but would also create a situation that makes the progression to ecosystem-based fishery management much more difficult.

The USCOP recommended the institution of national guidelines that require dedicated access programs to, among other things:

- specify the biological, social, and economic goals of the program;
- provide for periodic reviews of the program to determine progress towards goals;
- assign quota shares for limited periods of time;
- include measures for community-based quota shares or quota share ownership caps to lessen the potential harm to fishing communities.

National guidelines for DAPs should be in place before any additional IQ programs are institutionalized.

In light of the USCOP's affirmation of the eight regional fishery management councils' authority to institute DAPs, it is important to remember that the Pacific Council's own strategic plan, adopted in 2000, explicitly states that the Council's allocation of groundfish should:

- Fairly distribute community economic impacts and the benefits and costs of allocation coast-wide
- Allocations should attempt to avoid concentration and assure reasonable access to nearby resources
- Consider the diversity of local and regional fisheries, community dependency on marine resources and processing capacity, and infrastructure in allocation decisions.

In their current rush to implement a trawl-only quota regime, the Council is abandoning its own strategic plan, and failing to consider the cumulative efficacy of existing groundfish management measures towards achieving goals of the strategic plan and its mandate.

The forthcoming paper by Pacific Marine Conservation Council and Ecotrust is designed to discuss a range of DAPs and identify their relative impacts to fishing communities and the health of the resource. A trawl-only IQ plan may not be the optimal DAP tool to apply to accomplish the goals stated above by the Council and USCOP.

Tell the Council to do its job, and to do it comprehensively:

As the Council moves forward with the EIS analysis of the alternatives for the trawl IQ program, we seek to ensure that it takes into account the risks described below in the outline of our paper. There is considerable concern that the speed with which the Council is implementing the trawl IQ plan prevents it from undertaking a comprehensive analysis. This haste may undermine the intent of the USCOP, as well as that of pending national legislation crafted to ensure that quota regimes meet social and environmental standards.

Key results from the forthcoming study:

- IQs are but one form of DAPs, premised on the notion that open access to fisheries wrecks them and undermines the long-term viability of an important coastal industry;

- Among the suite of DAPs, IQs are the most market-oriented, turning natural capital into private capital and giving people tradable assets;
- However, market instruments achieve economic efficiency objectives only; as aptly captured by the National Research Council, “Individual Fishing Quotas are not a conservation tool, they are mainly an economic tool” (National Research Council. *Sharing the Fish: Toward a National Policy on Individual Fishing Quotas*. Washington, D.C.: National Academy of Sciences, 1999, p. 3).
- Efficiency is not the only goal: fisheries are common resources that sustain coastal communities and economies, and are premised on healthy marine ecosystems; thus need to achieve ecological and social goals as well;
- Captured in national standards, e.g., NS 8;
- Individual quotas have predictable social and ecological impacts, as evidenced in other countries, e.g. BC experience documented in *Catch-22: Conservation, Communities and the Privatization of B.C. Fisheries*; <http://www.ecotrustcan.org/catch-22.shtml>
 - o Consolidation means loss of jobs, costs of which are borne by coastal states;
 - o Fishing communities without fleets undermine rich heritage and its tourism value;
 - o Individual quotas promote the wrong environmental message, rewarding big boats with larger negative environmental impacts rather than a selective and diverse small boat fleet

The inherent danger of taking the IQ approach without adequate controls to protect long-standing community interests is the separation of natural assets from these communities, with deleterious social and ecological effects. This is an unfortunate choice when we might instead seize the opportunity to frame fishery management for long-term social and ecological health.

Pacific Marine Conservation Council and Ecotrust take these issues seriously, and we believe that you do as well. We’re prevailing on you to remind your state representatives to the Council of their societal mandate to manage fisheries for the benefit of the whole nation. It would not serve the marine environment or our coastal communities well to rush into a trawl-only IQ program.

It makes more sense to involve all fishing gear sectors and fisheries, as well as other constituents with a stake in healthy marine ecosystems and vibrant fishing communities, in defining the social and ecological goals of the new generation of fishery management. The Council system can then be properly used to undertake an assessment of all options available for DAPs.

On the national level, reasonable standards for IQ programs that are designed to protect the fishing industry, communities, and the public interest, are included in the Fishing Quota Standards Act of 2005 (HR 3278) now under consideration by the U.S. House of Representatives. We encourage you to urge the California delegation to actively support this legislation.

Thank you for taking the time to consider these important matters.

Respectfully,

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