

## UPDATE ON TRAWL INDIVIDUAL QUOTA (TIQ) PROCESS AND COMMUNITY CONCERNS

### **Process Update**

The development of a West Coast Groundfish Trawl Individual Quota Environmental Impact Statement (EIS) is proceeding using \$250K provided by National Marine Fisheries Service (NMFS) for this purpose. A portion of this funding has been obligated to hold relevant meetings and support the intersector allocation EIS; however, the dominant amount has been obligated to work on the EIS process and document. The Council received notice that these funds were available on July 22, released a request for proposals on August 15 (Agenda Item H.11.a, Attachment 1), selected a contractor on September 23, and finalized agreement on the contract on October 12. Northern Economics Incorporated was selected to begin work on the EIS. Dr. Ed Waters has been contracted separately to develop information that will be used during Allocation Committee deliberations over resolution of intersector allocation issues. Additional funding will be requested to complete the EIS and intersector allocation process, however the \$250K received will sustain expected progress through early 2006.

### **Community Protection Options**

At its June 2005 meeting, the Council adopted a range of TIQ alternatives for analysis (Agenda Item H.11.a, Attachment 2). While the alternatives adopted for analysis included options to control impacts on communities, such as allowing communities to hold quota and setting limits on quota accumulation, the Council directed the TIQ Analytical Team, in consultation with the Scientific and Statistical Committee (SSC), to draft a range of appropriate options to address community concerns for Council consideration at its November 2005 meeting. TIQ Analytical Team members Ms. Kate Quigley (NMFS, Northwest Region) and Ms. Suzanne Russell (NMFS, Northwest Science Center) took the lead in reviewing other IFQ programs from around the world to identify a set of potential tools for Council consideration. Their work was reviewed by the SSC at its September meeting. Using these general tools as a guide, Ms. Quigley and Ms. Russell then worked with Council staff to develop some example options that might be incorporated into the alternatives the Council adopted for analysis at its June meeting. The results, including example options, have been provided in the briefing materials for review by the Trawl Individual Quota Committee and other Council advisory bodies (Agenda Item H.11.a, Attachment 3).

As part of this effort, the Council directed consideration of the Government Accounting Office (GAO) report "Individual Fishing Quotas, Methods for Community Protection and New Entry Require Periodic Evaluation (GAO-04-277, February 2004) was reviewed (Agenda Item H.11.a, Attachment 3). This report notes:

"In considering methods to protect communities and facilitate new entry into IFQ fisheries, fishery managers face issues of efficiency and fairness, as well as design and implementation. Community protection and new entry methods are designed to achieve social objectives, but realizing these objectives may undermine economic efficiency and raise questions of equity."

The report notes that IFQ programs differ depending on the circumstances of the fishery and objectives of the program and states:

“Depending on the fishery, fishery managers may be willing to trade some potential gains in economic efficiency in exchange for the opportunity to protect fishing communities or facilitate new entry.”

The GAO report recommends that Regional Councils which design community protection measures, develop clearly defined and measurable objectives, build performance measures into the program, and monitor progress in meeting objectives. The report also notes that National Standard 8 requires that fishing communities be taken into account in Council recommendations.

**Council Action:**

**Refine Community Related Options for Alternatives Adopted for Analysis.**

Reference Materials:

1. Agenda Item H.11.a, Attachment 1: Section 2.1 of the Request for Proposals (6 pages) (**Full Document on CD**).
2. Agenda Item H.11.a, Attachment 2: Groundfish Trawl Individual Quotas for the Pacific Coast July 2005 Informational Report.
3. Agenda Item H.11.a, Attachment 3: Potential Options For Community Involvement And Control of Community Impacts, Developed As Directed By The Council (June, 2005).
4. Agenda Item H.11.a, Attachment 4: Executive Summary “Individual Fishing Quotas, Methods for Community Protection and New Entry Require Periodic Evaluation (GAO-04-277, February 2004) (**Full Document on CD**).

Agenda Order:

- a. Agenda Item Overview
- b. Reports and Comments of Advisory Bodies
- c. Public Comment
- d. **Council Action:** Refine Options

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