

**Statement by Dr. Stephen M. Barrager, member, Groundfish Advisory Subpanel, to the Pacific Fishery Fishery Management Council regarding Management Plan Amendment 22: Open Access License Limitation.**

Ladies and Gentlemen, I am asking you to consider a new alternative for evaluation. The alternative is to use tradable Dedicated Access Privileges (DAPs, aka, Individual Quotas or catch shares) as the economic instrument to allocate and manage a limited access fishery. This approach is significantly different and I think it is compelling.

**Context**

The West Coast fishing industry is in the process of being rationalized. The objective of rationalization is to increase efficiency and profitability. DAP's have been selected as an important tool in this rationalization process.

If DAPs are successful we can envision a day when they are used across virtually all fisheries. The hope is that we will move from an era of cumbersome regulation to efficient, profitable and more-or-less self-regulating markets. Although this is not a certainty, it does have a high probability of happening.

**Rational**

Conversion of the Open Access Fishery to federal management presents an opportunity to implement a DAP-based system rather than using traditional regulatory approaches. This would move rationalization forward one more significant step.

If we don't do DAPs now then we will probably want to do them in the not- too-distant future. It would be wasteful to go through this process twice -- first to implement permits, then to go from permits to DAPs. The end result is the same but the work is doubled. What is the logic of this?

I think we would all learn a lot by putting this option on the table and evaluating it. Much of the required analysis is probably being done in connection with the Individual Trawl Quota (ITQ) program. The incremental work load might be nominal.

The upside of this alternative is that we save money and time, speed rationalization and add to our skill in rolling out a new way of doing business.

Thank you for your attention and your kind consideration.