GROUNDFISH ADVISORY SUBPANEL REPORT ON FMP AMENDMENT 20-TRAWL RATIONALIZATION-COMMUNITY FISHERY ASSOCIATION (CFA) AND MISCELLANEOUS CLARIFICATION ISSUES

The Groundfish Advisory Subpanel (GAP) received a report from Mr. Jim Seger and Ms. Heather Brandon on Community Fishing Associations (CFAs) and offers three recommendations in order of preference.

1) The GAP's primary recommendation is that CFAs should not be entitled to any special privileges. Specifically, the GAP recommends that CFAs should not be permitted to have higher accumulation caps than other entities.

The GAP spent a significant amount of time discussing this issue and raised numerous concerns. As an initial matter, the GAP questioned whether CFAs were necessary. Some members expressed that the Council should wait to see an impact on communities before implementing CFAs. Some members also felt that the Adaptive Management Program is intended to serve many of the same purposes as CFAs, and therefore the Council should wait to see whether Adaptive Management is effective before developing CFAs.

In addition, the GAP noted that because of the broad "eligibility to own" standards adopted by the Council at the March 2009 meeting, the only reason to develop CFAs would be to allow them to exceed accumulation caps. There was strong sentiment among the panel that as a matter of principal all entities should be held to the same standards. There was also a feeling that higher accumulation caps were being proposed as a way to circumvent the control date. In the absence of higher caps, the GAP noted that most of the goals and objectives that CFAs are meant to achieve could be achieved through private contractual arrangements.

Several members expressed concerns that big corporations could use CFAs as a tool to control quota and markets along the entire coast. There was also concern that individual fishermen would be harmed because they would not be able to compete with public entities for quota.

The GAP articulated many other concerns with CFAs. Those concerns are highlighted below in section 3 which covers specific features of CFAs if the Council decides to define them.

2) If the Council decides not to follow GAP recommendation one above, the GAP recommends that the Council delay the decision so that the GAP and other stakeholders have more time to review matters relating to the definition of CFAs.

The GAP feels that more time is needed to develop specific goals and objectives for CFAs along with parameters that will allow them to achieve those goals and objectives without creating other serious problems.

3) If the Council decides to reject the GAP recommendations and define CFAs at this meeting, then the GAP wishes to highlight the following specific concerns.

Geographic designations

- The GAP raised concerns about the strawman option which allows CFAs to cover multiple ports, but prevents more than one CFA from being in a port. The GAP felt that where there is more than one buyer or processor in a port it might make sense to allow for more than one CFA. Conversely, while the GAP acknowledged that it might make sense to allow a single CFA to cover closely related ports (e.g. San Francisco Bay ports), there was concern that a blanket statement authorizing CFAs to cover multiple ports without some rationale or criteria was questionable.
- As a related matter, the GAP wondered whether there would be a cap on the total number of CFAs that could form on the coast.
- Finally, the GAP was concerned that allowing one community to hold a significant amount of quota could harm other communities.

Membership requirements

- The GAP wishes to reiterate that a trawl permit will be required to fish trawl quota. Theoretically anyone could join a CFA, but the GAP objects to anyone fishing trawl quota without a Limited Entry (LE) trawl permit.
- The GAP suggests that processors should be eligible entities to join a CFA, but that they should not be required for the formation of a CFA.

Support of community/local support

• The GAP was concerned that CFAs could create a situation in which individual fishermen would have to compete for quota against public entities that they fund with their tax dollars.

Operational standards

- The GAP was concerned about some participants gaming CFAs thereby allowing mega corporations to use them to consolidate quota and market control.
- Concern was expressed over tracking compliance with accumulation caps for CFA participants.

The GAP also offers the following recommendations related to the at-sea whiting clarification issues identified under agenda item F.4.

Initial allocation – dropping years

The GAP recommends allowing selection of two years to drop from a permit's catch history independently by sector.

Whiting rollovers

The GAP recommends against allowing rollover of whiting in the at-sea sectors.

Bycatch buffers in the mothership fishery

The GAP recommends not establishing buffers.

PFMC 04/07/09