

GROUND FISH MANAGEMENT TEAM REPORT
ON FMP AMENDMENT 20 – TRAWL RATIONALIZATION – DEFINING A COMMUNITY
FISHING ASSOCIATION (CFA) AND MISCELLANEOUS CLARIFICATION ISSUES

The Groundfish Management Team (GMT) received a presentation from Council staff, as well as public testimony, on the task of defining community fishing associations (CFAs). Our agenda at this meeting did not permit us to analyze the CFA definitional elements or standards in detail.

As we understand it, the reason for defining a CFA at this meeting would be for the Council to then decide whether to grant CFAs some exception to the quota share (QS) control limits at the June meeting. CFAs could also receive some preferential consideration in the allocation of quota from the adaptive management program, depending on how the Council structures that program.

In exchange for these special considerations or privileges, a CFA would be expected to further one or more of the Council's management objectives for the Trawl Individual Quota (TIQ) program. Objective 13— "Minimize adverse effects from an IFQ program on fishing communities and other fisheries to the extent practical"—would be seen to be the most pertinent objective. If so, the Council would choose to grant a CFA special privileges if it expected that those privileges would minimize adverse community impacts to a greater degree than the TIQ program would in the absence of that CFA. In turn, it seems implied that CFAs should only be granted special considerations or privileges if established for purposes broader than the basic profit motive.

At the same time, the Council would also want to consider the fact that granting an exception or a special privilege to a policy might detract from the management objective or objectives that the policy was intended to achieve. That is, the Council would want to ensure that the potential costs of that policy were outweighed by the potential benefits of the exception. For example, the primary management objective underlying accumulation limits was to prevent unchecked consolidation in the fleet and quota ownership. Thus, before deciding whether to grant some exception to the accumulation limits, the Council would want to ensure that the exception either did not worsen the risk of consolidation, or, at least, offset any increased risk by achieving some other management objective. The definitional elements and CFA standards could be designed in a way that permitted the Council to make this judgment on a case-by-case basis.

In addition, the Council should consider why the special privilege of higher accumulation limits would be necessary for a CFA to form. There is nothing in the TIQ program to prevent individual quota holders from forming associations or cooperatives on their own. Granting special privileges for CFAs might help incentivize such associations. Accumulation limits could, however, prevent a single entity from holding quota "in trust" for a community. The Council did not look at this type of entity when setting accumulation limits in March. Rather, the Council's unit of focus there was individual harvesting entities. Again, the question of how much quota a community trust CFA should be allowed to hold would depend on the expected net benefit of the CFA's proposed management objectives. This would seem most appropriately determined on a case-by-case basis.