

TRAWL CATCH SHARE PROGRAM – COST PROJECT

Catch share programs are a tool by which fishery related costs can be reduced in order to increase the net economic benefits a fishery generates for the nation as a whole. Constituents have expressed concerns about levels of costs associated with the program. As one step in considering these concerns, (National Marine Fisheries Service (NMFS) has provided the Pacific Fishery Management Council (Council) with funds for a contract to look more closely at costs that are borne by industry and NMFS. Council staff has engaged Mr. Darrell Brannan to conduct the work, which is described in the attached proposal (Agenda Item G.8, Attachment 1). This cost project is being conducted in conjunction with the trawl catch share program review that is being initiated this year (Agenda Item G.9); and results from the project may be incorporated into the review, as appropriate. The entire cost project itself may run shorter or longer than the program review process.

The cost project covers three broad objectives:

- documentation of industry concerns and identifying costs related to specific program elements;
- comparison of those costs to similar catch share programs, and
- organization and presentation of the information to inform future deliberations.

As described in the proposal, the initial work covered under the contract will identify stakeholder concerns associated with specific program costs and look at all costs as they relate to the design elements of the catch share program (for example, requirements for both at-sea and shoreside monitoring). It will also compare those costs and design elements to similar catch share programs elsewhere in the United States. The intent of the effort is to develop for managers and stakeholders a common level of understanding of how the design elements address program objectives and consequent costs. After an initial review draft is completed and any additional Council guidance provided, the contractor will develop for inclusion in the final report a high-level discussion of the program elements. That report is expected to facilitate identification potential program changes that could reduce costs, along with implications of those changes for the program's achievement of goals and objectives. The final report will also include suggestions for how the information in the report could provide a basis for future studies that may consider possible changes to the program design.

An initial review draft of the contractor report is expected to be presented to the Council at its April 2023 meeting, at which time additional Council guidance may be provided. The final report is tentatively scheduled for August 2023, on time for inclusion in the briefing materials for the September 2023 Council meeting. A complete calendar for the project is provided on page 3 of Attachment 1. The calendar might be adjusted depending on guidance from the Council.

It should be noted that the focus of the project is on current costs and their relationship to the way the program is designed. Management, data collection and analysis, and enforcement activity costs related to catch share programs are recoverable from industry through cost recovery fees, which the Magnuson-Stevens Act limits to a maximum of three percent of the allocated species ex-vessel

value ([Sections 303A\(e\)](#) and [304\(d\)\(2\)\(B\)](#)). Results from this project may eventually lead to program changes that influence those cost recovery fees. However, this project will not look at past costs and savings and is not intended to delve into an evaluation of which costs should and should not be recoverable by NMFS or how cost recovery fees are calculated.

Council Action:

Review plans for the cost project and provide guidance on future work and timeline.

Reference Materials:

1. Agenda Item G.8, Attachment 1: A Proposal to Study Costs Associated with the West Coast Groundfish Shorebased Trawl IFQ Program.
2. If received, Public Comments are electronic only ([see e-portal](#)).

Agenda Order:

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|--|-----------------|
| G.8 Trawl Catch Share Program – Cost Project | Jim Seger |
| a. Project Overview | Darrell Brannan |
| b. Reports and Comments of Management Entities and Advisory Bodies | |
| c. Public Comment | |
| d. Council Action: Review Plans for the Cost Project and Provide Guidance on Future Work and Timeline | |

PFMC
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