

A Summary of Views Presented during  
the North Pacific Regional Roundtable

**Improving  
Federal Fisheries Management  
in the  
North Pacific Region**

The H. John Heinz III Center  
for Science, Economics and the Environment

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## **TABLE OF CONTENTS**

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Background

Roundtable Participants

Executive Summary

The North Pacific Regional Context

### **IMPLEMENTING PROVISIONS OF THE 1996 SUSTAINABLE FISHERIES ACT**

1. Overfishing/Rebuilding
2. Bycatch
3. Essential Fish Habitat
4. Communities

### **IMPROVING FISHERIES MANAGEMENT IN THE NORTH PACIFIC REGION**

1. Background Conditions
2. Decisionmaking
3. Management Implementation and Administration
4. “New” Management Tools

### **ACTIONS RECOMMENDED BY ROUNDTABLE PARTICIPANTS**

1. What Congress Can Do
2. What the National Marine Fisheries Service Can Do
3. What the North Pacific Fishery Management Council Can Do

## **BACKGROUND**

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### **ABOUT THE HEINZ CENTER**

Founded in 1995 to carry on the work of Senator John Heinz, The H. John Heinz III Center for Science, Economics and the Environment is a nonpartisan, nonprofit institution dedicated to improving the scientific and economic foundation for environmental policy through multisectoral collaboration. Focusing on issues that are likely to confront policymakers within two to five years, the Center fosters collaboration among industry, environmental organizations, academia, and government in each of its program areas and projects. It uses the best scientific and economic analyses to develop viable options for solving problems, and its findings and recommendations are widely disseminated to public and private sector decision makers, the scientific community, and the public.

### **ABOUT THE MANAGING U.S. MARINE FISHERIES PROGRAM**

Initiated in March 1998, The Heinz Center's Managing U.S. Marine Fisheries program seeks to increase the effectiveness of U.S. fisheries management. A primary goal of the program is to identify present concerns and possible courses of action for key decisionmakers, especially as Congress considers amendments to the Magnuson-Stevens Fishery Conservation and Management Act (MSFCMA).

In addition to numerous documents and reports, the program has produced the book *Fishing Grounds: Defining a New Era for American Fisheries Management*, which is available through Island Press. Susan Hanna, Professor of Marine Economics at Oregon State University, led the program with support from Assistant Manager Heather Blough. Four senior advisors—Captain R. Barry Fisher of Midwater Trawlers Cooperative, D. Douglas Hopkins of Environmental Defense, Dr. Andrew A. Rosenberg of the National Marine Fisheries Service, and Professor Michael Orbach of Duke University—provided oversight to the program.

### **ABOUT THE REGIONAL ROUNDTABLE SERIES**

The Heinz Center hosted eight roundtable meetings in the federal fishery management council regions between July and October 1999. The purpose of the meetings was to identify problems the councils have encountered in implementing the 1996 amendments to the MSFCMA and to solicit input on how fisheries management can be made more effective in the regions. The original intent was to focus on improvements to the system that could be made through congressional reauthorization. Participants also offered many ideas about administrative actions that the National Marine Fisheries Service (NMFS) and the regional fishery management councils could take to make the system work better.

The roundtable meetings were limited to a small number of participants to keep the discussion focused and productive. They were attended by industry members, environmentalists, fishery managers and scientists that participate in the fishery management system at the regional level. Assistance in identifying qualified participants was provided by council directors and leadership of the Marine Fish Conservation Network. Participants were familiar with the full range of issues facing their region, but practical limitations did not allow for representation from every fishery, gear type, or other specific interest group.

The booklet *Reauthorizing the Magnuson-Stevens Fishery Conservation and Management Act: A Handbook and Discussion Guide for Regional Fishery Management Councils*, produced during the first phase of The Heinz Center's Managing U.S. Marine Fisheries program, provided background for the regional roundtable discussions.

Each roundtable lasted two days and was guided by a similar agenda. The first day was devoted to discussing the implementation of four mandates added to the MSFCMA in 1996, including: (1) end overfishing and rebuild overfished stocks; (2) minimize bycatch; (3) identify and protect essential fish habitat; and (4) minimize adverse economic impacts to fishing communities. The second day's discussions were focused on identifying how the fisheries management system can be improved. They too were divided into four segments, including (1) background conditions; (2) decisionmaking; (3) management implementation and administration; and (4) "new" management tools.

## **ABOUT THE REGIONAL ROUNDTABLE REPORTS**

Each roundtable discussion was recorded and transcribed by a professional reporting service. We then produced summary minutes from each transcript, which participants reviewed for accuracy. We incorporated these materials into a report for each region, which summarizes the discussions and outlines the participants' recommendations.

The Heinz Center's goal for the reports was to capture as much information as possible about federal fishery management problems and potential solutions in the various regions. Throughout the roundtable discussions, the knowledgeable and diverse participants identified many specific concerns and options for improving federal fisheries management. We did not attempt to evaluate, prioritize, or forge consensus on the issues and recommendations that were raised. We did, however, note areas of strong agreement or dissent. Although participants did not necessarily characterize proposed actions as most appropriate for Congress, NMFS, or the councils, we did so in the final reports in the interest of making the information more useful.

In addition to the regional reports, we produced a national summary, *Improving Federal Fisheries Management: A National Report*, which synthesizes information derived from the regional roundtable series. The handbook, regional and national reports, and other documents stemming from The Center's fisheries program are available online at [www.heinzctr.org](http://www.heinzctr.org).

This report was prepared by Susan Hanna and Heather Blough. It summarizes views presented during the North Pacific Regional Roundtable held August 19-20, 1999 in Anchorage, Alaska.

## **ROUNDTABLE PARTICIPANTS**

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### **DISCUSSANTS**

Lee Alverson	Chairman of the Board, Natural Resources Consultants
Chris Blackburn	Director, Alaska Groundfish Data Bank
Steve Ganey	Alaska Marine Conservation Council
Jay J.C. Ginter	Chief of Operations Branch, Sustainable Fisheries Division, National Marine Fisheries Service, Alaska Region
Joe Kyle	Member, North Pacific Fishery Management Council
Rick Lauber	Chairman, North Pacific Fishery Management Council
Doug Ogden	Recreational angler; member, Advisory Panel, North Pacific Fishery Management Council
Clarence Pautzke	Executive Director, North Pacific Fishery Management Council
Wally Pereyra	Chairman, Arctic Storm, Inc.
Joe Plesha	General Counsel, Trident Seafoods Corporation
Alan Springer	University of Alaska Fairbanks
Beth Stewart	Director, Natural Resources Department, Aleutian East Borough
Grant Thompson	Alaska Fisheries Science Center, National Marine Fisheries Service

### **INVITED, UNABLE TO ATTEND**

Linda Behnken	Alaska Longline Fishermen's Association; member, North Pacific Fishery Management Council
Dave Benton	Alaska Department of Fish and Game
Mark Lundsten	Queen Anne Fisheries, F/V <i>Masonic</i> (submitted written comments)

<b>FACILITATOR:</b>	Susan Hanna
<b>ASSISTANT:</b>	Heather Blough
<b>RECORDER:</b>	Helen Allen

## EXECUTIVE SUMMARY

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The North Pacific Fishery Management Council manages fisheries in federal waters off the coast of Alaska. There are 252 stocks under its direct authority. The Council is tasked with implementing new fisheries management provisions added to the Magnuson-Stevens Fishery Conservation and Management Act through the Sustainable Fisheries Act of 1996. The primary goals of these provisions are to end overfishing, minimize bycatch, identify and protect essential fish habitat, and minimize adverse impacts to fishing communities.

The Heinz Center convened a roundtable on August 19-20, 1999, in Anchorage, Alaska, to identify problems the North Pacific Council is experiencing in implementing these new provisions and to solicit recommendations to improve fisheries management in the region. Participants included members of industry, environmental organizations, academia, and government agencies.

Roundtable participants recognized the following as primary problems the North Pacific Council faces in meeting the new provisions:

- insufficient flexibility in definition and implementation;
- inadequate recognition of natural cycles and their effects in rebuilding requirements;
- inadequate data and information;
- perception of bycatch as waste;
- restrictions presented by NOAA General Counsel policies;
- broad application of the essential fish habitat provision;
- confusion about how to balance the communities provision with other management goals and requirements; and
- insufficient resources and lack of authority to prioritize implementation of the provisions.

The participants offered the following general recommendations for change:

- recognize the uniqueness of the North Pacific Council and avoid “one-size-fits-all” approaches;
- enhance resource assessment surveys and research;
- strengthen NMFS and Council budgets;
- provide the flexibility to develop region-specific solutions;
- strengthen enforcement;
- enhance ecosystem research; and
- reduce fishing capacity.

The two-day discussions that led to the identification of these problems and recommendations are summarized in the following pages. A more comprehensive list of detailed actions that could be taken by Congress, the National Marine Fisheries Service (NMFS), and the North Pacific Council to improve fisheries management in the region appears at the back of this report.

## THE NORTH PACIFIC REGIONAL CONTEXT

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The North Pacific is an area rich in habitat and resources. It has the largest continental shelf of the fishery management regions, the longest coastline, and the most fish. More fish are landed in the region than in all other U.S. regions combined. The port of Dutch Harbor-Unalaska is the highest-producing port in the region, where 597 million pounds of fish valued at \$110 million were landed in 1998.<sup>1</sup> Fisheries are major employers in Alaska, in part because of the state's small population and abundant fishery resources. The state's fishing ports tend to be distant from population centers and major markets. For most of the 20th century, the region's abundant stocks have been protected by their inaccessibility: fishing under harsh weather conditions requires seaworthy vessels and determined crews.

The 11-member North Pacific Fishery Management Council manages only federal waters off Alaska, which creates a less complicated regulatory environment than in regions that include the waters off several states. In addition to Alaska, Oregon and Washington have voting representation on the Council, along with NMFS and seven public members appointed by the Secretary of Commerce. Alaska's influential congressional delegation provides hands-on interest in fisheries but usually, with the exception of the American Fisheries Act, does not intercede in Council actions.

There is a significant international dimension to the North Pacific fisheries. The U.S. shares common maritime boundaries with Russia and Canada, and American fleets interact with those of other countries in the "donut hole" in the central Bering Sea.

The North Pacific has always used science-based management and has been largely successful in maintaining healthy stocks. Success is due in part to the historical circumstance of relatively young fisheries. In the formative years of the Council, fisheries involved predominantly foreign fleets. This meant that total allowable catch quotas affected foreign fleets more than domestic fleets, allowing a strong conservation ethic to develop. By the time Americanization took place in the mid-1980s, a conservation ethic and strong science-based management were well established. The Council has never set a total allowable catch quota that exceeded the recommended acceptable biological catch, except on two occasions. Even on those occasions, the Council only adjusted the acceptable biological catch recommendation of its Scientific and Statistical Committee upwards to account for differing scientific opinions between that Committee and plan teams.

The conservation-minded attitudes of Council members, advisory committees, and the industry have meant that the Council has been a leader on many management issues. The North Pacific fishing industry is willing to be managed. Fishermen have a long history of active participation in the regulatory process. They expect to be regulated and that regulations will be enforced. Support for regulation is illustrated by their acceptance of observer programs and respect for the science.

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<sup>1</sup> NOAA. 1999. Dutch Harbor-Unalaska is Nation's Top Fishing Port for 1998. Press release NOAA 99-051, July 14, 1999.

The abundance of fish in the North Pacific means a related abundance of marine birds and mammals, some of whose populations are declining. The declines raise concerns about the role fishing plays in fish and food abundance and whether adequate protection measures are in place.

Large-scale ecosystem changes are the natural course of things in the North Pacific. Some change is human-induced. The magnitude of ecosystem changes points to the importance and need for ecosystem research that will allow scientists and managers to develop a more sophisticated understanding of the interaction of human-induced change with biological and oceanographic changes.



**IMPLEMENTING PROVISIONS OF THE 1996  
SUSTAINABLE FISHERIES ACT**

# IMPLEMENTING PROVISIONS OF THE 1996 SUSTAINABLE FISHERIES ACT

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The 1996 Sustainable Fisheries Act (SFA) added new provisions to the Magnuson-Stevens Fishery Conservation and Management Act (MSFCMA). Four of these provisions contain significant new requirements for the North Pacific Fishery Management Council. These relate to overfishing, bycatch, habitat, and communities. Participants' views on challenges the region faces in implementing these provisions are summarized below.

## 1. OVERFISHING/REBUILDING

### Background

The overfishing/rebuilding provision requires that fishery management plans contain measurement criteria for overfishing, actions to prevent overfishing, and plans to rebuild overfished stocks. The MSFCMA defines both “overfishing” and “overfished” as “a rate or level of fishing mortality that jeopardizes the capacity of a fishery to produce the maximum sustainable yield on a continuing basis” (16 U.S.C. 1802(29)).

There are 252 stocks under the direct authority of the North Pacific Council. Of these, 3 are overfished, 30 are not overfished, and 219 are of unknown status. Most stocks are managed under the Gulf of Alaska Groundfish, Alaska High Seas Salmon, Bering Sea and Aleutian Islands Groundfish, Bering Sea and Aleutian Islands King and Tanner Crabs, or Alaska Scallops fishery management plan.<sup>2</sup>

The Council shares limited management over Pacific halibut with the Pacific Council. That fishery is managed primarily by the International Pacific Halibut Commission and is not overfished.

### Implementation Issues

**Overfishing Definition:** One objection voiced by some participants is that narrow definitions like maximum sustainable yield divert attention from more useful information about fish stocks. They noted that fish do not exist in a vacuum—they live in dynamic systems whose changing conditions favor some species more than others. In addition, localized stock depletions can be missed using the “maximum sustainable yield” definition.

But, there was also support for an “overfishing” definition based on maximum sustainable yield. Even if stock declines occur independent of fishing, participants contended that managers have an

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<sup>2</sup> NMFS. 1999. Report to Congress: Status of Fisheries of the United States. October.

obligation to prevent further declines by curtailing fishing. They believe the “maximum sustainable yield” definition provides a useful standard for managers..

New definitions of overfishing are being developed all over the world in an attempt to provide operational guidance to managers that will force the use of precaution in the face of uncertainty. But some participants noted that there is a growing dichotomy between scientific and operational definitions, and the trend to micromanage definitions is troublesome. They said it would be more effective to have very general guidelines at the national level, with specific precautionary implementation at the council level. They believe the North Pacific Council has done a good job in conservation, but it is being held to the same requirements as other regions that have not.

**Flexibility in Implementation:** The Council’s Scientific and Statistical Committee had just developed overfishing definitions for groundfish when the 1996 mandate to use a new maximum sustainable yield-based definition came into effect. Some participants asserted that the new definition is an example of detailed national prescriptions that are included in the law without recognizing different situations across regions.

It was suggested that when new statutory measures are being developed, it would help to consult with the people who will be charged with their implementation. The overfishing provision was cited as an example of a provision that is contradictory and very difficult to implement. In the next reauthorization, participants pointed out that it would be helpful to have criteria, rather than dictated formulas. They contended that it doesn’t make sense to think that the formulas could be the same for every species, or that everything can be maximized simultaneously.

**Procedural Requirements:** Participants observed that the procedural requirement to develop a rebuilding plan with specific timelines once the overfished level is reached consumes an enormous amount of Council time. They explained that for a stock that has natural cycles, like crab, a rebuilding plan will be required every time the cycle hits the low end, because the procedural environment does not recognize natural cycles or environmental shifts. Because the North Pacific Council has a history of responding to stock fluctuations, keeping a firewall between conservation and allocation, and working with its scientific and statistical committee, many participants believe the rebuilding provision is unnecessary. Again, they are concerned that congressional action prompted by management failures in some regions result in over-prescriptions for others.

**Firewall between Conservation and Allocation:** Participants observed that in the North Pacific the Council has an excellent record supporting resource conservation and sound science. They noted that enthusiasm for building a firewall between conservation and allocation was influenced by observation of the effectiveness of the North Pacific Council. But because determining who will set the acceptable biological catch is a big question, they wondered whether a committee of scientists would be any more immune from political pressure than Council members. They believe that vesting the authority to set acceptable biological catch levels in a single group will not protect them from political interference. Instead, participants offered that other councils should listen to the scientists as this Council does, and then have the political will to make a common-sense decision. The problem

could also be fixed by mandating that councils use scientific and statistical committees and plan teams and by prohibiting them from exceeding acceptable biological catch levels. NMFS (as delegated by the Secretary) already has the power to overturn a council action, but it does not always make use of it. Additionally, members of Congress sometimes overrule NMFS.

**Economic Overfishing:** Some participants believe the Council has prevented biological overfishing through conservative quotas, but it has allowed economic overfishing through the excess expansion of capital. They noted that the expansion happened even in the face of warning signs from the influx of factory trawler capacity in the late 1980s. The Council is now dealing with some of the repercussions of overcapacity and, despite controls on entry, increases in capacity are continuing. Major fisheries have become severely overcrowded. Participants believe that the Council is at a crossroads that could disrupt its tradition of conservation, beset by allocation battles resulting from overcapacity and attempts to “rationalize” an overdeveloped fleet and processing industry.

**Research and Data Needs:** Many participants believe that Congress is not providing the money required for resource assessment and basic science. They pointed out that life histories of many species are unknown, and their interactions with other species are poorly understood. They suggested that the Council needs to be able to maintain at least the present level of assessment surveys and research—and preferably enhance it—and that managers need the flexibility to react to real-time information that indicates change.

Some participants said that fishermen’s observations can supplement the scientific information by being more immediate. They noted that scientists do not always fully understand how the fisheries work, and stakeholders do not always understand the scientific process for setting acceptable biological catch levels. If communication were better, participants believe the system would be more cohesive and transparent, even though the Council does a very good job keeping records accessible and distributing information.

There was general agreement that productivity needs to be better understood to improve understanding of overfishing. Some participants stated that maximum sustainable yield can also be interpreted as the maximum number of people and businesses that the North Pacific fisheries can sustain with the flexibility to respond to productivity changes. They stressed that maintaining marine resources is important to all the interests, particularly small coastal communities who are dependent on fisheries. Also, recreational fishing is so minimal in this region that it is not believed to be a significant contributor to overfishing, except perhaps through localized depletions.

The term “overfishing” was problematic for participants because even a stock that has never been fished can be “overfished” once it reaches a certain level of depletion. Fish populations fluctuate, even when there is no fishing. Participants pointed out that a term for fish stocks that are in decline for reasons other than overfishing is needed. They believe that “overfishing” should not be the interpretation of every observed change, even though a state of depletion, regardless of cause, will require conservation action. Some participants contended that natural events, such as the changes happening in the Gulf of Alaska, have nothing to do with overfishing and that there are many

historical examples of productivity changes that affected particular species before commercial fisheries existed. Others disagreed.

Some participants theorized that there are “rocking chair” regime shift effects that should be monitored through coordinated fisheries and oceanographic research. They observed that it is important to remember that conditions today are different from those in the 1950s and 1960s and that, even with regime shifts, the chair will not rock back to exactly the same position. They believe it is certain there will be change, but what the change will be is unknown.

## **2. BYCATCH**

### **Background**

The bycatch provision of the SFA requires that fishery management plans establish standardized bycatch reporting methodology, as well as measures to minimize bycatch and bycatch mortality. The MSFCMA defines “bycatch” as “fish which are harvested in a fishery, but which are not sold or kept for personal use, [including] economic discards and regulatory discards.” The legislative definition excludes “fish released alive under a recreational catch and release fishery management program” (16 U.S.C. 1802(2)).

North Pacific target fisheries are bycatch driven (bycatch is what turns many fisheries on and off. For example, catch limits on prohibited species, such as crab, salmon, halibut and herring, have controlled the groundfish fishery. The Council has been proactive on bycatch, but some participants stated that the SFA raised the bar without looking at what the Council had already done.

The Council avoids giving fishermen an incentive to target valuable bycatch species. Groundfish bycatch has a poundage cap. Sablefish bycatch is capped at a percentage of total catch. Halibut and some salmon bycatch may be landed and donated to food banks. The “improved retention/improved utilization” (“you catch it, you keep it”) applies to pollock and cod, and will apply to several flatfish species beginning in 2003. Under this policy, discard levels in all groundfish fisheries combined have fallen to about 8 percent, and by 2003 will have declined to about 4 percent—well below world and national averages.

### **Implementation Issues**

**Intent:** Participants noted that it is not always clear what bycatch is. They asked: Is it waste, unintended catch, or a matter of mortality? Bycatch can be a problem of too much mortality, or it can be a problem of allocation from one group to another. A bycatch issue can also be driven by food needs in another part of the ecosystem, such as for seabirds or marine mammals.

**Incorporating Bycatch Goals in Management:** One option proposed is that better planning of fishing seasons could help the fleet to minimize bycatch, but it was noted that the Council rarely asks

how a particular regulation or season affects bycatch. Participants emphasized that the large volumes of fish caught in the North Pacific make it important to address the issue of bycatch proactively. The Council has been as innovative in dealing with bycatch as it has in dealing with observers and other management issues. To implement the bycatch provision, the Council enacted a ban on bottom trawling for pollock (now in amendment under review), developed a chinook bycatch four-year reduction schedule for the Bering Sea groundfish trawl fisheries, and implemented a pilot program on halibut mortality avoidance. Some participants believe that, because bycatch reduction is an iterative ongoing process, it helps to be working toward specific goals with implementation schedules.

**“To the Extent Practicable”:** There were arguments both for and against keeping the phrase “to the extent practicable” in the bycatch provision. An argument against keeping it is that the phrase takes all the teeth out of the standard: the “to the extent practicable” is vague enough to be used as an out for people who do not want to seriously address bycatch. The argument for keeping the phrase is to have an escape clause to counter proposals for the impractical goal of zero bycatch. “To the extent practicable” addresses the practical needs of managers for a balanced fishery. In most fisheries, fishermen cannot cherry-pick a particular species or a particular maturity level.

**Enforcement:** Some participants said that taking further actions on bycatch in the North Pacific is hindered by the NOAA General Counsel’s view that nothing can be in a regulation that cannot be taken to court as an enforcement action. They noted that the Council had to fight for the few initiatives it got approved, and that focusing on court prosecution precludes taking other actions that, even if difficult to prosecute, would have good compliance. For example, the improved retention/improved utilization policy was not fully supported when it was implemented, but it has reduced bycatch by discouraging people from catching nontarget pollock and cod.

**Improved Retention/Improved Utilization Policy:** The idea behind the full retention policy is to encourage fishermen to target only fish for which there is a market. For example, if pollock fishermen have to retain all their pollock, they will learn how to avoid juveniles for which there is no market. Likewise, a flatfish fisherman will either have to keep all pollock taken as bycatch or learn how to avoid it. If fishermen have to keep bycatch but cannot be compensated for it, they will try to reduce it.

The improved retention/improved utilization policy that now applies to cod and pollock will be extended to yellowfin sole and rocksole by 2003. Participants said it will be very difficult for vessels to retain all rocksole bycatch, so “to the extent practicable” adjustments will be needed. They explained that there is no potential to exceed the rocksole quota, because the catch never achieves that level—the issue is the potential problem of retaining large volumes on board.

Participants recognized that retention is not appropriate in all cases. Sometimes the only way to deal with bycatch is to put absolute limits on what can be retained. They noted that allowing regulatory discards may be the only way to protect high-valued, low-quota species, because retention of valuable fish will create an incentive to target them. For example, the arrowtooth flounder quota is

kept small to prevent people from catching large amounts of arrowtooth in order to pick out the highly valued black cod.

**Bycatch and Ecosystem Management:** There was some agreement that bycatch-reduction measures should be directed toward the sustainability of the fishery and the ecological integrity of the ecosystem. Participants agreed that tThe Council should be able to prioritize its actions to correspond with the greatest problems. In the context of ecosystem management, this would mean that perhaps all bycatch should not be retained. Some participants noted that it is not necessarily better to land everything that is caught. Some research has indicated that a significant part of what sablefish and Pacific cod eat is processing waste from catcher processors. In addition, some onshore meal plants create water and discharge problems for communities. Managers were called on to understand either the effect of selecting valuable species out, leaving undesirable “weed” species like arrowtooth flounder in the ocean, or the effect of not returning fish into the carbon cycle of the ocean ecosystem.

**Incentive-Based Approaches:** It was stated that until there is more individual accountability in fisheries, further reductions in bycatch will be difficult. Some participants said there is no incentive for an individual to take the initiative to reduce bycatch because bycatch caps are placed on entire sectors and gear types. Some found it ironic that the SFA, while emphasizing reducing bycatch, also put a moratorium on the use of individual fishing quotas. They pointed out that such quotas for a targeted catch could be helpful in reducing bycatch by slowing down a fishery. However, they acknowledged that the SFA did allow the use of individual bycatch quotas in the North Pacific, which would place accountability for bycatch of prohibited species with individual fisherman.

Some participants suggested that economic incentives should be used to minimize bycatch. Individual bycatch quotas were cited an example of how bycatch could be addressed. Once an individual fishing quota program is in place, other gear types could buy quota share from the target fishery to cover their bycatch. This would eliminate situations like the prohibition against keeping Pacific cod caught while halibut fishing and keeping halibut caught while Pacific cod fishing. It was generally agreed that more research is needed on incentive-based bycatch reduction programs.

**The Larger Picture:** Participants said that bycatch could be addressed more productively if the same standard were applied to all fisheries. For example, they cotended it would be even more sensible to address bycatch in terms of total removals from the ocean, rather than elevate it to “holy grail” status. They pointed out that what managers really need to know is the size of a stock, how it interacts with other species, the consequence of removing it disproportionately, and the impacts of dumping the dead fish overboard.

**Bycatch as a Public Issue:** Bycatch is a very emotional issue, kept alive as a public issue by electronic communications that have enabled complicated subjects to be reduced to sound bites and circulated over the internet. The World Wildlife Fund’s Web site, with its “do you like killing sharks” button, is an example. It sent fax replies to the Pacific, Western Pacific, and North Pacific Councils and shut down the North Pacific Council’s machine for days.

**Research and Data Needs:** Some participants noted that complying with bycatch regulations carries a cost that should be compared to the cost of allowing bycatch to occur. They said that data are at the core of the bycatch problem, and reliable bycatch data depend on observer coverage. But observers are expensive, so how a bycatch program is funded becomes a central issue in its development. Equity was also raised as a bycatch issue, because some industry sectors are bearing more of the burden than others.

Participants believe that the North Pacific Council probably has better documentation of bycatch than others. The observer program produces large amounts of data that are incorporated into stock assessments and used in management decisions. It was agreed that more information is needed on groundfish bycatch in directed fisheries for halibut, salmon, crab, and herring, and that more research is needed on discard mortality.

### **3. ESSENTIAL FISH HABITAT**

#### **Background**

The habitat provision of the SFA requires that fishery management plans describe and identify essential fish habitat, minimize fishing effects on habitat, and identify actions to encourage conservation and enhancement of habitat. The MSFCMA defines “essential fish habitat” as “those waters and substrate necessary to fish for spawning, breeding, feeding or growth to maturity” (16 U.S.C. 1802(10)).

The North Pacific Council was the first council to submit its essential fish habitat amendments and the first to have them approved. Habitat is ranked according to its importance. The Council described essential fish habitat, protected some areas, and is now looking at habitat of particular concern in three areas.

#### **Implementation Issues**

**Breadth of Designation:** Participants said that the intent of the habitat provision is not clear, not much definition is provided, and not all habitat alteration negatively affects ecosystem productivity. The implementation discussions with NMFS identified different points of view as to whether “essential fish habitat” should be defined narrowly to protect certain important areas from degradation or gear destruction, or broadly. It was eventually defined very broadly and, as a result, some participants believe that attention has not been prioritized to particularly important areas.

Participants contended that “essential fish habitat” should be described in a finite way and protected through common-sense actions, as was done in southeast Alaska where trawling was eliminated on delicate habitat. They believe that if habitat is painted with too broad a brush, it will consume significant researcher time and resources and provide opportunity for lawsuits.

**Intent:** Different views about habitat protection were presented. One perspective was that enough habitat areas may have already been protected in the North Pacific, including the southeast; the Pribilofs and Bristol Bay, where about 30,000 nm<sup>2</sup> are closed to trawling; and the Gulf of Alaska, where about 47,000 nm<sup>2</sup> are set aside in time/area closures. Participants asked what else should be done if this is not enough.

Another view presented is that implementing the essential fish habitat provision is an iterative process in which the first round (habitat identification) has been completed. The next round will identify habitat areas of particular concern, followed by an examination of needed data and habitat protection actions. This view holds that neither the Act nor the guidelines should be changed because implementation is still in progress.

**Nonfishing Impacts:** Participants observed that nonfishing impacts on habitat, such as discharges that affect water quality, generally are not big problems in the North Pacific. Nonhuman sources of adverse effects on habitat include marine mammals and wave action in shallow areas.

**Protecting Essential Fish Habitat:** NMFS has always had the authority to consult with other agencies about habitat protection, but the consultation mechanism has been too weak because the councils have jurisdiction only over the effects of fishing on habitat. Some participants believe that NMFS needs greater powers to limit adverse nonfishing effects on habitat.

It was observed that NMFS has taken a relatively simple habitat statement in the MSFCMA and turned it into a set of guidelines that are far too complicated and provide “hooks” for people to use to sue the councils. Lawsuits have already been filed for the failure to meet the intent of the essential fish habitat provision. Participants recommended that the guidelines be better focused so that they are making positive contributions. There were different points of view as to whether the MSFCMA needs to be changed or whether NMFS’s interpretation it should change. Participants suggested that it would help to have more interaction between the habitat and sustainable fisheries offices in NMFS.

**Misuse of the Provision:** Everyone agreed that preserving fisheries habitat is important for sustainable fisheries. Some participants believe that the essential fish habitat provision was well intended but is short-sighted and easily abused, encouraging attacks on gear types under the guise of conservation. They pointed out that it is being used as a weapon in allocation battles without research to estimate the effects of gear on different kinds of habitat, in different water depths, and at different times of the year.

**Research and Data Needs:** Participants mentioned that it would be useful for the Council to have a map showing habitat hot spots—areas to avoid in setting regulations for fishing—in a way similar to critical habitat for sea lions. The existing essential fish habitat maps are uniform, so do not show these areas. Some participants believe the habitat provision should be made much more focused so that areas that are critical can be protected.

There was some agreement that there is inadequate information on essential fish habitat. Baseline data are missing and information on the life cycles of the species being caught is incomplete. Participants noted the need for bottom maps identifying different habitat types at a fairly fine scale. They suggested that some information may be available from other agencies that have collected data on fishing patterns or mapped the seabed for cable placement. They also pointed out that gear research is needed, including establishing the number of fishing days of different gears in different areas. If critical habitat areas are set aside, they need to be studied to see how they change over time and to learn about their responses to fishing and nonfishing effects. It is very important to understand how structural changes in habitat affect habitat productivity.

Although it was recognized that people worked hard to produce the essential fish habitat document, some participants believe that the Council has done about as much as it can with the available resources. They stated that NMFS or the councils need additional money to fund essential fish habitat work. The councils have been tasked with doing most of the work under essential fish habitat, but have not been given the resources to implement these provisions.

#### **4. COMMUNITIES**

##### **Background**

The communities provision of the SFA requires that the effects of management measures on fishery participants, fishing communities, and fisheries in adjacent areas be assessed. The MSFCMA defines “fishing community” as “a community which is substantially dependent on or substantially engaged in the harvest or processing of fishery resources to meet social and economic needs, and includes fishing vessel owners, operators, and crew and United States fish processors that are based in such community” (16 U.S.C. 1802(16)).

The Council has worked for some time on the issue of coastal communities through a policy called “balancing the needs of coastal communities.” Community protections were put in place through the 1992 inshore-offshore allocation that established community development quotas in the Bering Sea. The individual fishing quota program, developed later for sablefish and halibut, included safeguards against quota share migrating out of coastal communities. Coastal community issues also arose during discussions about protections for Steller sea lions.

##### **Implementation Issues**

**Definition of “Fishing Communities”:** Some participants stated that the communities provision applies to fishing communities rather than coastal communities. The definition of “fishing community” is deliberately broad to avoid conflict with National Standard 4, which prohibits discrimination between residents of different states. There is controversy about what qualifies as a “fishing community” and what counts as fishery dependence. It is not just an issue of coastal villages. Some participants stated that catcher processors and catcher boats also embody fishing communities—

marine supply businesses in Ballard, Washington, may be just as fishery dependent as those in Kodiak.

**Diversification:** Some participants said that small fishing communities will not be able to last unless they can diversify over different fisheries. But, others noted that the management trend is the opposite—to push people into discrete fisheries. This happens because when new programs are developed, people without a fishing history during the qualifying period do not receive licenses. Specialized programs have cumulative effects that require cumulative assessments of their impacts.

There was some agreement that small coastal communities have their own culture and have their own way of doing things, in contrast to the one-size-fits-all style of the federal government. As an example, observer costs and short fishing seasons are more burdensome for small boats than for large. Some participants noted that many small communities were at a disadvantage when it came to individual fishing quota allocations because their diversified fishing patterns left them without substantial fishing histories during the window period.

**Regional Importance:** Fishing issues are very important to many Alaska communities, and they want the communities provision to be given credence, rather than simply being a box to be checked off. Some North Pacific interests lobbied hard to get the provision in the Act to counter the “net benefits to the nation” calculation that, with its emphasis on economic efficiencies, may favor factory trawlers.

**National Standard 8 vs. Other National Standards:** Participants said it is unclear where National Standard 8 fits in the priority order of all national standards. In some regions there have been attempts to use the communities provision with the Regulatory Flexibility Act to prevent conservation actions from being taken.

**Research and Data Needs:** Participants noted that the communities provision forces a systematic look at the impact of regulations on fishing communities. In light of the increasing regulatory burden that tends to favor the strong surviving over the weak and small, they emphasized that it is important to assess how environmental protections create different costs to different sizes of operations. It is also important that the fishery include more than the large industrial component.

Some participants believe that this provision elevates community impacts to the level of a national standard, but observed that NMFS lacks a data collection program that would supply councils with the information needed to fully analyze community impacts. They said that there is inadequate information to assess the impacts of regulation on the different types of people who fish, and the information that does exist is outdated—community profiles done at the time of the inshore-offshore issue are now a decade old.

Participants pointed out that there are more systematic ways to get social information than to rely on people to show up at council meetings. The “public comment” approach often degenerates into claims that fishing means more to one person than it does to another. They suggested that systematic

community profiles would provide information useful as background to decisions and that information on the impacts of fishing-related jobs in small and large fishing communities would also be helpful.

The lack of systematic socioeconomic information will be a serious issue for any further consideration of individual fishing quota programs, according to some participants. They believe it will leave the Council dependent on anecdotal information and in a position of having to decide whom to believe and whether their information is representative. They cautioned that some resistance to providing detailed social or economic data will have to be overcome.

Some participants believe that the communities provision could be a “showstopper” if the Council does not start collecting data and developing more information on fishing communities. A Socioeconomics Data Committee has been established, but it lacks funding to collect data. NMFS developed a multi-page survey form to enhance general understanding of the fisheries and the fleets and the value they generated, but some participants said it is far too long and detailed to generate useful information.

**IMPROVING FISHERIES MANAGEMENT  
IN THE NORTH PACIFIC REGION**

# **IMPROVING FISHERIES MANAGEMENT IN THE NORTH PACIFIC REGION**

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Roundtable participants reviewed background conditions in the North Pacific region's fisheries, existing decisionmaking and implementation processes, and possible new tools to identify administrative and legislative actions for improving fisheries management in the region.

## **1. BACKGROUND CONDITIONS**

Present-day fisheries are a product of their management history. Regional roundtable participants identified the following background conditions as important factors influencing the current state of fisheries and fisheries management in the North Pacific region. They also discussed how these conditions could be better addressed.

### **Capacity and Access**

Beginning in 2000, the North Pacific Council will develop a license-limitation program for groundfish and crab, followed by scallops. The Council is at a decision point in terms of whether to continue to use individual fishing quotas if the moratorium is lifted or to wait to evaluate the performance of existing programs. The American Fisheries Act, with its authorization to form cooperatives, is also in place to rationalize the pollock fisheries of the Bering Sea.

Some participants said that overcapacity is an important issue for the North Pacific that, if not addressed through policy, will be addressed through bankruptcies. They asserted that the MSFCMA needs a provision prohibiting the Council from adopting, and the Secretary from approving, any limited-entry program that results in capacity increases. They noted that a limited-entry program is particularly vulnerable to capacity increases because licenses are not associated with a specific amount of catch and tend to be more fully used once limited. They expect that the license-limitation program adopted by the Council will at least double fishing effort for the western Gulf.

### **Uniqueness of the North Pacific Council**

Detailed national prescriptions that are included in the law often do not recognize the different relative positions between the councils. Participants often reiterated that the North Pacific Council has been a leader on many management issues.

## **2. DECISIONMAKING**

Decisionmaking is a key component of the fishery management system. All biological, ecological, social, and economic conditions in the fisheries are influenced by decisions made at the regional and

federal levels that form the basis of fishery management plans and amendments. The discussion that follows summarizes the challenges and opportunities to improving decisionmaking identified by participants.

## **Council Operations**

Some participants advised that the Council needs to hold better to its annual planning and decision cycle—allocation “emergencies” often jam up the system and divert attention from some of the higher-level planning issues.

**The Council Also Needs To Address Long-Term Issues:** Because fisheries are overcapitalized, every management decision is also an allocation that determines who makes money and who does not. With every decision having so much riding on it, the Council is slow to make decisions. Some participants think that allocation discussions take time away from deliberations about science and conservation and can paralyze the Council process. Others believe that as difficult as the long-term allocation issues are, not solving them makes things worse. Some contended that the Council does address conservation issues, pointing to decisions made on protected species, sea lions, and seabirds.

**Council Composition:** There has been some concern about the distribution of seats on the Council. People outside Alaska believe that the composition works to their disadvantage—it is an inside-outside Alaska political conflict.

Participants observed that the Council does not have representation from recreational fisheries, even though it is authorized to make decisions on allocation and limited entry for both commercial and recreational halibut fisheries. Many recreational fisheries are primarily in state waters and are therefore not directly managed by the Council. But because Council decisions do affect recreational fisheries, some participants believe that recreational interests should be included on the Council.

**Council Decisionmaking:** Some participants are concerned about vote trading, and view it as a serious problem that the Council should address so that the system maintains credibility. If it continues, they expect there will be a backlash and attempts to legislate against it. Others see vote trading as part of any democratic system and difficult to legislate against. They suggested it can be addressed indirectly through Council operations by creating an atmosphere where it is clearly unacceptable, but it acknowledged that is difficult to deal with it directly. It was pointed out that broadening Council representation, while perhaps a good idea for other reasons, will not necessarily remove incentives to trade votes.

Some participants think that a more serious problem may be the violation of the oath of office. They believe that if the councils were only advisory as the original Act intended and if NMFS didn't abrogate authority to the councils, it would not be as serious a problem.

**Other Participation:** Participants noted that the Council does a good job including different interests on committees. When a committee is set up, a Council member sometimes serves as chair, with membership from the NMFS regional office, industry, environmental organizations, and states. By encouraging full representation, the committee is able to come up with something that is developed enough for the Council to use as an agenda item.

Some participants are concerned about the future of the owner-operator in the management process, anticipating that management will become more and more the realm of lobbyists and advocates, rather than people who participate in a fishery. They noted that part of this is a natural outcome of large-volume fisheries, like pollock, being developed by large corporations. Another part is related to the council process, which has become so complex and the turf wars so bitter that a working fisherman has less and less place at the meetings. Some owner-operators maintained that the frequency and length of Council meetings, combined with the scattering of small-boat issues throughout the agenda, mean that participation in the meetings is relegated to hired advocates.

Participants agreed that the fisherman-manager cooperation that characterizes the council process is important to retain. One recommendation was to commit one meeting a year to the “small-boat issues.” Participants recognized that it is important to continue to involve working fishermen in the management process.

## **Science and Data**

**Research:** The Council has an annual “call for proposals” for research in areas, such as new regulations, cooperative research, identification of habitat areas of particular concern, or experiments to reduce bycatch. The proposals are reviewed in a transparent process that involves the plan teams and the Council. Generally, participants believe proposals are treated seriously and fairly by the Council, which improves its credibility.

**Communicating Scientific Information:** Participants said that NMFS and Alaska Department of Fish and Game staff need training in effective communication techniques for general audiences to improve the quality of presentations made to the Council. Information often gets lost in the details of overheads, and paper copies of what is being presented are sometimes provided only to Council members.

**Data Confidentiality:** Confidentiality restrictions related to socioeconomic data are inhibiting their use, according to some participants. Analysts have access to processor and fish-ticket data, but they are limited in the amount of detail that can be provided to the Council and public. Participants also noted that better data exchange between the states and the federal government is needed.

**Observer Programs:** The Council has had an observer program for a long time. Although there is widespread support for the idea of using observers to collect data, participants pointed out that there are some growing problems in the process under which the program is implemented. There are different views within the region on the function of observers—whether they are for enforcement or

for providing reliable biological data. The original intent of the observer program was to provide information on total biological removals to improve stock assessments. The program became more complicated, and levels of observer coverage varied by gear type. Some participants believe the Council needs to revisit its goals for the observer program to determine the levels of coverage that provide accountability.

It was generally recognized that an observer program is designed to address the common problem of poor data, because data should be the underpinning of all management action. Scientists find the observer program data valuable. But it was also noted that the industry is losing confidence in the observer program—some participants believe that the performance of some observers is poor and finding qualified observers is problematic. They said that the program has been pushed to the back burner for good reasons, but the problems with industry support need to be addressed soon.

There are national and regional perspectives on observer programs. At the national level, people recognize that observer programs are necessary and valuable. Other councils want the ability to implement observer programs and the discretionary authority to charge fees to support observer programs. Overall, with the exception of the North Pacific, where observer programs are funded by industry, people expect NMFS to pay for them. In many areas the fisheries are not profitable enough to pay for observers because they have been overfished.

At the regional level, some participants said the North Pacific would also like to participate in federally funded observer programs because it does not want to be the only region paying and subsidizing all the other programs. As a practical matter, some participants believe that the United States may end up with a two-tiered system, where the larger industrialized fisheries pay for observers and the smaller fleets have federally funded coverage because they are unable to bear the costs. But even for industrialized fleets, the 2 percent fee can amount to a big tax on profits.

There are different views within the region about the appropriate function and scale of observer coverage. Participants agreed it is clear that observer coverage needs to be consistent across state and federal waters. The general feeling is that for an observer program to produce high-quality biological information, the compliance function should be kept separate from the data collection function. This is another aspect that some participants believe the Council needs to address.

Observer program costs are high relative to revenues for the small-boat fleet. Costsharing for small boats has been stymied by rules regarding federal procurement, and the larger boats are leery of subsidizing observer coverage on the small boats. Participants cited the lack of observer coverage on the small-boat fleet as being a problem because demersal shelf rockfish may have been significantly diminished by bycatch in the small-boat longline fisheries throughout southeastern Alaska.

Some participants said that developing objectives for observer programs in this region, as well as guidelines for observer coverage and funding, is critical. They said that NMFS needs to prioritize where observer coverage is needed most. Others said that alternative data collection methods need to be examined, rather than just putting more observers on board whenever there is a problem.

### **3. MANAGEMENT IMPLEMENTATION AND ADMINISTRATION**

The implementation of management decisions is an important part of the fishery management process. Roundtable participants exchanged views on management implementation and identified problems with the current system and how the process could be improved. Their discussion is summarized below.

#### **Relations between NMFS and the Council**

It was generally agreed that NMFS and the North Pacific Council work well together.

#### **Public Comment Periods and Timely Review**

Before 1996, the public comment periods on fishery management plan amendments and on implementing regulations were concurrent. The 1996 reauthorization of the MSFCMA split the two periods. Some participants believe this split has diminished effective public comment because, until implementing regulations are developed, the effect of a Council action is not always clear. The comment period on the regulations is still open at the time of the deadline for the Secretarial decision on the amendment. It was suggested that this could be fixed by requiring in the law that the two comment periods again be concurrent.

Some participants said that the fishery councils also want regulatory amendments to go through the NMFS review process on a mandated timeline. They want to make the deadline for implementing regulations shorter than that for the amendments. The 1996 amendments did not provide a deadline for the regulations, and the councils had to have initial review of amendments before the regulations implementing those amendments were issued.

Timely review of Council actions was a big issue for several participants. They believe that NMFS has too many reviewers within the chain of command and takes too long to get actions in place. They also pointed out that Council deadlines are immutable, but NMFS review deadlines seem much softer or nonexistent. One proposed solution is to have more of the review take place in the NMFS regions instead of in NMFS headquarters, which proponents believe would be more efficient, decrease the review time, and reduce the number of reviewers.

Some participants posited that the root problem in the lengthy review time may be the “other applicable law”—about eight separate statutes and five separate executive orders with which fishery management plan and regulatory amendments must be consistent. NMFS is charged with making what the councils want to do consistent with the law, although it is believed that there are different views within the agency as to whether it should be NMFS or the councils that do this. Some participants noted that NOAA General Counsel review can also be a bottleneck, because the preparation of amendment packages to deal with “other applicable law” is extensive. Others

observed that sometimes the process is slow because NMFS regional staff gets pulled in a number of different directions, and that litigation adds to their time burden. It was generally acknowledged that the NMFS regional office is overwhelmed by a number of different issues, leaving the public with the impression that NMFS cannot push even simple amendment changes through the system.

## **NMFS Budget**

NMFS budget cuts will be a real concern for all councils. Participants believe that this is a time when NMFS needs more— not fewer—resources..

## **NMFS and Lawsuits**

Some participants said that much of what the agency is doing with management plans is driven by fear of lawsuits. They believe that management plans should be based on science and good management practice, rather than on what lawyers think will be easier to defend in court.

## **Staffing Needs**

Management is moving more toward more people-based management, but participants observed that there is a severe shortage of trained social scientists on NMFS's staff. They added that there are some signs of progress in NMFS toward being open to hiring sociologists or anthropologists, but progress is very slow.

## **Sustainable Fisheries Act and Council Workload**

There was general agreement that the Council worked hard to get SFA implementation actions submitted on time. But for the next reauthorization, it is believed that new changes will be added to actions now being taken on Steller sea lion issues and the American Fisheries Act. Participants warned that this will be a big problem if large changes are involved, because the Council has reached the limit of what it can add to its agenda, meetings are already six to eight days long.

Some participants stated that the SFA deadlines put an unnecessary burden on Council staff and prevented reasonable treatment of the issues. For example, no credit was given for work that the Council had already done on bycatch; the Council was treated in the same context as other councils that had not taken any action to address bycatch. In general, participants believe that submissions were made just to meet the letter of the law. They added that meeting the SFA requirements also meant postponing several small issues that have now accumulated on the agendas of the Council and NMFS.

## **Operational Difficulties with Implementation**

Several participants said that statutory requirements would be more effective if the writers of those requirements would consult in advance with the people charged with implementing them to find the best way to get where the writers want to go. They noted that several well-intentioned aspects of the Act are poorly represented and that the statutory language is very difficult to implement. It was acknowledged that NMFS has an MSFCMA reauthorization work group to identify changes needed in the Act to make the operational end more effective. Participants also requested ideas from the regions and then synthesized them into recommendations for the Director.

## **Management Evaluation**

Evaluating the effects of management actions should be a regular part of management, according to participants. Performance analysis is needed so that learning can take place.

## **Enforcement**

Overall, participants said that relationships between NMFS and the Coast Guard need to be clarified. They suggested that it would be helpful if the MSFCMA reauthorization underscored the Coast Guard's responsibilities toward fisheries enforcement in order to legitimize its role. NMFS enforcement is now a bit standoffish with respect to the Coast Guard. Some participants believe that fisheries are a secondary issue at the national level for the Coast Guard, although in the region the Coast Guard is regularly lauded for its fisheries work.

Some participants believe that NMFS has not lived up to its enforcement commitments, particularly in the halibut-sablefish individual quota program. They noted that despite the widespread belief that enforcement is the key to making a new program work, the program is understaffed, despite assurances that NMFS would be able to fund a "minimum enforcement program." In terms of implementing the new individual fishing quota program, however, several participants stated that NMFS and its new Restricted Access Management division did an excellent job.

## **Collection of Fees**

Some participants pointed out that some of the constraints on NMFS with regard to the application of fees should be relaxed so that there is more operational flexibility in programs and more flexibility for fee payers. But, they believe that a limit should be placed on the size of the fees that NMFS can collect, to prevent the monies from being used for observer programs in other regions or for programs unrelated to observers. According to some participants, a useful change for reauthorization would be to limit the use of observer fees to data collection and observer program administration. They noted that councils need the authority to generate money to support their research programs through full utilization of catch and other means. They added that the MSFCMA could also require

that goals for each observer program be clearly specified and criteria for observer coverage levels be included.

## **Subsidies**

Subsidies are a subject of active discussion worldwide. Participants stressed that there needs to be systematic thinking about subsidies to determine what they are and are not. Some participants expressed their fear that benefits achieved from rationalizing management could be taxed away as subsidies.

## **Maritime Boundary**

Participants raised several serious maritime boundary issues in the North Pacific that need resolution. They pointed out that there is a burgeoning, financially desperate Russian fleet right up against the U.S. border that fishes without good observer coverage, inspection, monitoring, or enforcement. They added that there are other international fleets as well, and incursions into the U.S. exclusive economic zone will probably increase. The boundary is the Achilles' heel of the North Pacific, which participants stated is another area where clarification of the Coast Guard's role and strengthening of its fisheries enforcement mission would be useful.

Aside from fishing incursions, the region contends with are many cross-boundary management issues because of the distribution of fish populations. The stocks require joint assessments, but getting U.S. research vessels into Russian waters is difficult. Participants noted that the Russian catch data are not accurate because so much catch is sold on the black market to avoid customs and to earn hard currency. Political instability further complicates the situation.

## **4. "NEW" MANAGEMENT TOOLS**

Several tools and approaches not traditionally used in fishery management have been receiving increased attention across the nation for their potential to address problems associated with traditional management, such as overfishing, overcapacity, bycatch, and habitat degradation. Roundtable participants discussed the regional application of each of the following fishery management tools and approaches.

### **Individual Fishing Quotas**

**Lifting the Moratorium:** Participants believe that nationally the council chairs support lifting the moratorium on individual fishing quota programs and giving the councils the option of using this tool. They asserted that whether individual fishing quotas are the right or wrong tool for any given region should be for that region to decide—that is the philosophy behind having a regional council system. The moratorium has prevented the North Pacific Council from dealing with numerous management issues.

Few people in the North Pacific region are indifferent about individual fishing quotas. Views on lifting the moratorium are polarized between strong support and strong opposition. Many of those opposed to the halibut-sablefish individual fishing quota program did not provide much input as it developed. Some of those who were most vehemently opposed to the program have now adapted to it. The halibut-sablefish fishery currently enjoys abundant stocks of fish and healthy markets, and several participants concluded that individual fishing quotas as a management system are working well.

Participants agreed that there are pros and cons to an individual fishing quota system and that it is not a panacea for all fisheries. They pointed out that if a program is not developed carefully, it wreaks havoc with people by creating unintended consequences. It is likely that there are some fisheries for which individual fishing quotas are inappropriate. Some participants believe that there is a tendency in NMFS headquarters to be overly optimistic about the ease of implementing individual fishing quota programs, but most people in NMFS are cautious about them.

It was generally acknowledged that one of the primary challenges is to balance fairness and equity with efficiency. Participants agreed that a policy is needed for the allocation of rights. If the moratorium is lifted, some participants believe that guidelines for program development should be developed, rather than national directives as to how allocation should take place. They asserted that a specific allocation policy should be a regional decision that fits the regional context of fisheries. One major advantage of an individual fishing quota system is its flexibility and, if too many requirements for individual fishing quota programs are put into the Act, they could prevent implementation.

**Individual Fishing Quotas and Capacity Reduction:** Some participants expressed their reservations about the ability of individual fishing quota programs to reduce capacity. They contended that they may not solve the capacity problem if there is a net increase in capacity through the appeals process, and that quota holders who have purchased quota share and have heavy debt service on the permits will be under pressure to earn more money.

Individual fishing quota and community development quota programs are not the only way to go, according to some participants. They noted that it is true that license-limitation programs do not do much to limit capacity or effort, as illustrated by the fact that the groundfish and crab fisheries—under moratorium since the mid-1990s—are still referred to as “open access.” The moratoria are placeholders, not rationalization programs. However, it is possible to develop a license limitation program that takes you further toward rationalization. Participants observed that a full-license limitation program for groundfish and crab will begin in 2000.

**Rights-Based Management:** Participants acknowledged that rights-based systems can have major benefits. The value of a public resource can be maximized, rents can be generated, management risks resulting from overcapitalization can be reduced, and fishing and processing can be more environmentally sensitive because people have the luxury of being able to pay more attention. Some participants believe that cooperatives may be a more creative way than individual

fishing quota programs to achieve these benefits. Cooperatives deal with the questions of processor interests, which are not addressed by individual fishing quota programs.

Any rights-based program carries costs, and participants observed that solving one problem may create another. For example, there has been an out-migration of permits from small fishing communities to cities in Alaska. The upshot is that now people in small, often native, communities cannot afford to get into the fishery. On the other hand, participants commented that the costs of entry for the second-generation permit holders will become part of the business costs of fishing. Fishing will become more of a marketplace, where the expectation of variability is taken into account in the purchase price of a permit or quota share.

Some participants noted that one issue that has not received much attention is how rights should be allocated in the transition from open access. Who gets the rights? Why give away rights? Another participant question relates to limiting access and setting up guarantees for profitability in what is a risky business. If industry is willing to take that responsibility, is it government's responsibility to bail industry out if the business fails? What is the appropriate role for government? These are questions that have not been examined thoroughly.

**Individual Fishing Quotas and Processors:** Participants noted that shore-based processors in the North Pacific worry about the effects of individual fishing quotas on their operations. They explained that this is where the interest in the “two-pie” system came from—where both catchers and processors would have quota share allocated to them, so as to reduce overcapacity in the processing sector as well as to keep the competition between boats (sellers) and processors (buyers) balanced.

**Individual Fishing Quotas and Specialization:** While participants recognized that management takes place in a changing environment, they observed that management tends to have a fairly short-term viewpoint. To deal with overcapitalization, management has developed programs that promote specialization. For example, the original idea with limited entry was to have a groundfish limited-entry license and to allow fishing all for groundfish species within that complex. However, too many licenses were granted to allow this.

It was pointed out that the problem with too much specialization is that it creates a dependency on certain species that leaves fishermen vulnerable when species mix changes. Some participants noted that a problem with individual fishing quota programs as they have been implemented is that they apply to only one or two fisheries, leaving investors vulnerable to changes in the ecosystem. They suggested that the cooperative alternative is more flexible in its potential to extend to several species that can accommodate changes in species composition, and to also include processors.

**Cooperatives:** A cooperative is a form of rights-based management, like an individual fishing quota for a group of vessel owners. The most difficult part of a cooperative is deciding how to fairly share the wealth among all interests—boats and shoreside processors—and how not to disadvantage any one group particularly. Some participants believe that the same level of overcapacity exists in the inshore sector as in the offshore sector.

Participants noted that cooperatives have produced some interesting outcomes. People are not in a race for fish, so they fish at a more leisurely pace, and the fishery season lasts longer. There are fewer accidents, so insurance premiums decrease. Factory lines have been revamped to produce higher-value products, higher yields, and a wider array of products. Cooperatives have also freed fishing capital, so “sideboard” restrictions have been developed to keep those who are benefiting from the pollock cooperatives from spilling over into other North Pacific fisheries. Now sideboards have taken on a life of their own, with other interests who want to protect their share. It was pointed out that if MSFCMA reauthorization authorizes cooperatives, potential spillover effects would have to be addressed.

Right now the cooperative applies only to Bering Sea pollock, and some participants would like to see cooperatives in the Gulf of Alaska. They would like cooperatives set up for several species to provide a portfolio of participation to take advantage of change. It is believed that coastal communities would also benefit from the slower seasons that cooperatives allow, by doing more value-added processing in the community.

Another view of the cooperative system is that, although it works very well for the catcher-processor sector, it is more complicated with catcher boats and shore-based plants. It was observed that sideboards can be a problem for catcher boats if they fish in several fisheries because of the tendency to manage for the full-timers and eliminate the part-timers.

Some participants believe that management often operates to prevent change from happening, under the assumption that change is bad. But, they noted that fisheries are always changing. Rights-based management will change not only the efficiency of the fishery, but also the expectations placed on those who hold rights to fishing. Rights holders will be expected to be more environmentally aware, to pay the public for the benefits they derive from fishing, and to protect coastal communities. It was cautioned that although rights-based management regimes have the potential to bring about beneficial changes, they could also present new problems, such as demands for compensation when the value of a share falls.

**Flexibility to Experiment:** Some participants believe that the councils should have the flexibility to experiment with new approaches to management, such as individual fishing quota-type of management for coastal communities. The cooperatives are a form of community-based management that allow self-management and the development of community values. An advantage of the community development quota program is a strong compliance aspect that comes from allocations being revisited every two years.

## **Marine Protected Areas**

Some participants said that the Council should assess where the region is with regard to marine protected areas before proceeding further. For example, many areas in the North Pacific are already closed to trawling. Marine protected areas offer the advantage of control areas to compare the effects of fishing versus no fishing. It was noted that changes to the MSFCMA are not necessary to enable councils to act on marine protected areas.

## **Incentive-Based Management**

Some participants believe that the regional councils ought to be looking at incentives that encourage the industry toward cleaner gear types.

## **Electronic Reporting**

It was observed that the Council is moving toward electronic reporting to improve in-season management. The individual fishing quota program now has a type of electronic reporting in the card-swipe. Some participants cautioned that if a national vessel registration and data collection program is developed, care needs to be taken not to erode electronic systems that are already set up in this region. Also, policies about the use of data collected from electronic vessel monitoring systems need to be developed in advance of data collection.

## **Ecosystem Management**

The protection of seabird and Steller sea lion issues will require more of an ecosystem approach to fishery management, according to some participants. The Council has taken steps in this direction in cooperation with the U.S. Fish and Wildlife Service. Some believe that better coordination with oceanographic and climatic effects research would also be beneficial, as would having marine ecologists, rather than only fishery biologists, on NMFS staff. Participants believe that evaluating the effectiveness of existing efforts like sea lion rookery exclusion areas is essential. They suggested that stock assessment and fishery evaluation documents would be the place to begin widening this assessment. Some participants said that putting the precautionary approach into action would be beneficial and would not require changes in the MSFCMA.

## **The Right To Fish versus Permission To Fish**

The state of Alaska starts from the standard that fishing is not allowed unless it is authorized, an approach that may contribute to the culture of acceptance about management. The federal system operates under the opposite assumption. Some participants believe that it might be useful to change the MSFCMA to state that unless some type of fishing is explicitly allowed through a fishery management plan or experimental fishing permit, it is prohibited.



**ACTIONS RECOMMENDED BY ROUNDTABLE  
PARTICIPANTS**

## **ACTIONS RECOMMENDED BY ROUNDTABLE PARTICIPANTS**

General recommendations offered by roundtable participants to assist the North Pacific Council with implementation of the 1996 amendments to the MSFCMA and to improve the effectiveness of fisheries management in the North Pacific region include:

- Recognize the uniqueness of the North Pacific Council and avoid “one size fits all” approaches
- Enhance resource assessment surveys and research
- Strengthen NMFS and Council budgets
- Provide the flexibility to develop regional specific solutions
- Strengthen enforcement
- Enhance ecosystem research
- Reduce fishing capacity

Many specific actions to implement these recommendations were identified by participants throughout the course of the roundtable discussion. Those with apparent support of the majority are listed below. Participants did not necessarily characterize proposed actions as most appropriate for the Congress, NMFS or the councils but we have done so here in the interest of making the information more useful. A more detailed discussion of the issues leading to these recommendations can be found in earlier sections of this report.

### **1. WHAT CONGRESS CAN DO**

- Fully fund the mandates of the Sustainable Fisheries Act
- Enhance resource assessment and marine ecosystem research funding over current levels
- Refine and focus the essential fish habitat provision to protect critical areas
- Fund monitoring and evaluation of critical habitat areas and gear impacts research
- Recombine the comment periods for amendments and implementing regulations that were separated in the 1996 reauthorization of the Act
- Fund the collection of socioeconomic data and relax confidentiality restrictions
- Require that limited entry programs prevent increases in capacity
- Require evaluation of the effectiveness of regulations and Council representation
- Lift the moratorium on the development of individual fishing quota programs and provide guidelines for program development
- Allow councils to prioritize bycatch actions
- Require that goals for observer programs be clearly specified and criteria for observer coverage levels be included
- Limit the use of observer fees to data collection and program administration in the affected region
- Focus on performance outcomes rather than dictated formulas for new statutory measures
- Authorize councils to generate research funds through full utilization of catch and other means

- Provide councils the flexibility to experiment with fees and new management approaches such as community quotas, bycatch quotas, and co-ops in non-pollock fisheries
- Mandate that councils use Scientific and Statistical Committees and plan teams
- Prohibit councils from exceeding acceptable biological catch levels
- Clarify enforcement relations between NMFS and the U.S. Coast Guard
- Clarify several areas of the SFA:
  - Use scientific terms consistent with the scientific literature;
  - Recognize that appropriate annual harvest will vary with changes in stock size or other factors;
  - Distinguish between the condition of depletion and the act of overfishing;
  - Recognize that management directly controls fishing mortality but only indirectly controls stock size;
  - Recognize that the maximum possible rate of rebuilding a stock depends on the biology of that stock;
  - Encourage quantities such as optimum yield, maximum sustainable yield and overfishing levels to be computed at the same level of stock aggregation;
  - Clarify whether it is ever acceptable to overfish one or more stocks in a mixed-stock fishery;
  - Clarify whether overfishing must end as soon as it is identified;
  - Clarify whether and how mortality incurred during scientific research is to be treated in setting, allocating and accounting for optimum yield or other catch levels;
- Require the use of a precautionary approach consistent with 1) target harvest levels set safely below limit harvest levels, 2) stocks below MSY abundance level harvested at rates lower than stocks above MSY abundance level; and 3) risk-averse criteria to set target catch levels so that greater uncertainty corresponds with greater caution.

## **2. WHAT THE NATIONAL MARINE FISHERIES SERVICE CAN DO**

- Decentralize the review process to reduce the time required to review plan amendments and management actions
- Maintain a specified timeline for amendment review and implementing regulations
- Train staff in effective communication techniques for general audiences
- Prioritize research efforts
- Apply more research to the question of biological productivity
- Address the severe shortage of trained social scientists on staff
- Improve the information base on North Pacific fishing communities
- Improve information on groundfish bycatch and discard mortality in halibut, salmon, crab and herring fisheries
- Conduct more research on incentive-based bycatch reduction programs
- Establish routine evaluations of the effect of management actions
- Evaluate subsidies to determine their role in fisheries
- Better focus the essential fish habitat guidelines
- Develop national goals and guidelines for observer programs and expand observer coverage to all gears and fisheries
- Develop objectives, priorities, guidelines and funding plans for North Pacific observer programs

- If a national vessel registration and data collection program is developed, prevent erosion of existing electronic systems
- Develop policies about the use of data collected from vessel monitoring systems in advance of data collection
- Meet commitment made to enforcement of the halibut-sablefish individual quota program

### **3. WHAT THE NORTH PACIFIC FISHERY MANAGEMENT COUNCIL CAN DO**

- Reduce fishing capacity
- Develop a long-term strategic plan for capacity, fleet composition and data needs
- Hold to the annual planning and decision cycle
- Plan fishing seasons and regulations to help minimize bycatch
- Improve communication among council system participants
- Develop a role for communities and maintain the presence of small boat owner-operators in the Council process
- Revisit observer program goals to determine appropriate levels of coverage
- Assess the status of marine protected areas in the region
- Address the question of vote trading