

C-2 GOA Trawl Bycatch Management Council Motion April 11, 2014

I move the following Community Fisheries Association (CFA) proposal forward for review. The council requests an assessment of how a CFA construct could be used to address the Council's problem statement and the goals and objectives for GOA Trawl Bycatch Management. The discussion should compare and contrast the CFA tool with provisions in the Council's April 2014 motion that may provide specific community protections. Additional questions about the CFA construct and how it may interface with the overall GOA Trawl Bycatch Management Program should be identified, as well as an identification of gaps in the proposal, and/or legal and implementation issues.

Proposal for a Community Fishing Association

I. Structure

The Community Fishing Association (CFA) entity must be a non-profit entity qualified by NMFS, with a community sustainability plan approved by the Secretary as specified in the MSA.¹ The Council can establish set requirements for the Community Fishing Association entity to be approved, possibly mirroring many of the CQE requirements. The Community Fishing Association could be a single Gulf-wide administrative entity, or a single entity with two divisions, one for the Central Gulf and one for the Western Gulf.

The entity will be governed by a Board of Directors. The Board of Directors will include balanced representation from fishing and community interests, including the cities and boroughs, trawl co-op representatives (note that co-op representatives would not need to be community residents), non-trawl fishermen and conservation interests. Municipalities (city/borough) could appoint their own designees, as well as the non-trawl seats. Co-ops could appoint their own representatives, and the board itself could appoint a conservation seat. The goal for the Board of Directors is to ensure that board composition is broad enough to ensure both fishery and community interests are represented, but small enough to function efficiently.

The specific composition of the Board of Directors will be set in regulation to ensure that all interest groups are represented.

II. Community Eligibility

The MSA defines a fishing community generally 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.”² Specifically in regards to allocations to fishing communities in the context of Limited Access Privilege Programs (LAPPs), a community must be “located within the management area of the relevant Council,” meet criteria developed by the Council and established by the Secretary and “consist of residents who conduct commercial or recreational fishing, processing, or fishery-dependent support businesses within the Council’s management area.”³ Under both of these definitions, a community need only be engaged in fishing or processing within the management area. There is no requirement that they specifically engage in the target species fishery, or in a particular fishery. In fact, in developing participation for a fishing community under the LAPP provisions, Councils are required to consider “economic barriers to access to the fishery,” and “the potential for improving economic conditions in remote coastal communities lacking resources to participate in harvesting or processing activities in the fishery.”⁴ These considerations, particularly the latter, specifically support the inclusion of communities in the management area which do not currently participate in the trawl fishery in particular. Under the LAPP definition, a fishing community may even consist of residents who conduct fishery-dependent support businesses, harvesting and processing activity is not required.

¹ 16 USC § 1853a(c)(3)(A)(i)(IV).

² 16 USC § 1802(17).

³ 16 USC § 1853a(c)(3)(A)(i)(I-III).

⁴ 16 USC § 1853a(c)(3)(B)(iii,vi).

Under this program we propose fishing community criteria⁵ to include communities within the Central and Western Gulf of Alaska management areas which have:

1. Traditional fishing or processing practices in, and dependence on, fisheries in the management area;
2. Cultural and social ties to fisheries in the management area;
3. Economic barriers to access to the fishery;
4. A high potential for economic and social impacts associated with a LAPP program on harvesters, captains, crew, processors, and other businesses substantially dependent upon the fishery;
5. There will be no more than two Community Fishing Associations, one for the Western and one for the Central Gulf of Alaska.

III. Allocation

The Community Fishing Association would be allocated fishing quota for all CV target and PSC species allocated under the program. For analysis, the Council should consider an allocation range of 10-20%.

Quota allocated to the Community Fishing Association may not be sold.

IV. Quota Distribution

- Quota will be leased on an annual (option: every 3 years) basis according to allocation criteria established by the Board which meet the goals and objectives for the Community Fishing Association established by the Council in regulation.
- To ensure that quota leased from the Community Fishing Association achieves the goals and objectives established by the Council, quota will be leased subject to specific contract terms which meet the goals and objectives adopted by the Council, and referenced below in Section VII.

V. Lease Fees

- Lease fees will be used only to directly support the Community Fishing Association's operational and administrative costs and will not exceed reasonable costs as audited by NMFS. And will be publically disclosed in the CFA annual report.

VI. How the CFA Intersects with the Overall Program

- The Community Fishing Association will operate within the co-op structure. Quota leased from the Community Fishing Association must be utilized through a cooperative.
- Community Fishing Association quota will be subject to the same set of rules as other quota in the program in terms of bycatch management, observer coverage, sector allocations, cooperative structure, regionalization, and gear conversion.
- Any vessel and owner consolidation limits established under the overall program will also apply to quota leased by the Community Fishing Association, e.g. the consolidation limit will apply to quota directly owned or fished by a vessel and any quota leased from the Community Fishing Association.
- A participant who leases quota from the Community Fishing Association will be required to fish at least that amount of fish within their co-op (e.g. a vessel may not lease quota from the CFA, then have that quota fished by another vessel in the co-op since the contract terms would not apply to a vessel which had not leased quota from the CFA).

VII. Reporting, Accountability and Transparency

- The Council would set goals and objectives for the CFA (as per Amendment 91 requirements for the Incentive Plan Agreements) and allow the CFA board to adopt CFA policies and operational guidelines to meet those goals and objectives.

⁵ Note that under the MSA provisions, eligibility criteria must be developed by the Council, approved by the Secretary, and published in the Federal Register. These eligibility criteria are therefore submitted as recommendations, but further refinement should be developed by the Council.

- To be eligible to participate in the program, the CFA must “develop and submit a community sustainability plan to the Council and the Secretary that demonstrates how the plan will address the social and economic development needs of coastal communities, including those that have not historically had the resources to participate in the fishery, for approval based on criteria developed by the Council that have been approved by the Secretary and published in the Federal Register.”⁶
- The Council would receive an annual report from the CFA and evaluate its progress toward meeting the Council's policy goals.
- The annual report must also be distributed to all communities in the relevant management area.
- The Council would also review the CFA as part of the review process of the catch share program overall.
- The Council could initiate action at any time to modify the catch share program, including modifying or eliminating the CFA if it is not meeting the Council's goals and objectives.

VIII. Goals and Objectives of the Community Fishing Association

- A. Council-established Goals and Objectives for the CFA (in regulation and/or the FMP):
1. Provide for the sustained (current and historical) participation of fishing communities (MSA National Standard 8).
 2. Minimize adverse economic impacts on fishing communities (MSA National Standard 8).
 3. Assist entry-level and small vessel owner-operators, captains and crew and fishing communities (MSA §303A(c) (5) (C)).
 4. **Incentivize additional bycatch savings beyond standard requirements by rewarding those willing to adopt additional measures to reduce bycatch with access to additional CFA quota.**
- B. The CFA may respond to several of the Council's established Goals and Objectives for the program (numbers refer to Council Goals and Objectives):
4. Authorize fair and equitable access privileges that take into consideration the value of assets and investments in the fishery and dependency on the fishery for harvesters, processors, and communities.
 6. Promote community stability and minimize adverse economic impacts by limiting consolidation, providing employment and entry opportunities, and increasing the economic viability of the groundfish harvesters, processors, and support industries.
 13. Minimize adverse impacts on sectors and areas not included in the program.
 14. Promote active participation by owners of harvest vessels and fishing privileges.
- C. **"Possible"** CFA goals and objectives adopted by the CFA within Council objectives:
1. Maintain the historical number of active trawl vessels home-ported in CFA communities.
 2. Maintain the historical number of active trawl skippers that are resident in CFA communities.
 3. Maintain the historical number of GOA trawl vessel crewpersons that are resident in CFA communities.
 4. Maintain the amount of quota owned and/or operated by CFA community residents.
 5. Maintain crew compensation at levels established prior to the rationalization program.
 6. Enable fishermen to transition into the GOA trawl fishery under the new management program.
 7. Facilitate gear conversion within provisions of main program.
 8. ~~Incentivize additional bycatch savings beyond standard requirements by rewarding those willing to adopt additional measures to reduce bycatch with access to additional CFA quota. (See above)~~

⁶ 16 USC § 1853a(c)(3)(A)(i)(IV).