

**The Shape of Things to Come:
How do Dedicated Access Privileges (DAPs) affect what
NMFS and Council economists
are doing – should be doing – will be doing?**

Moderator:

Dan Holland , Gulf of Maine Research Institute

Panelists:

Ron Felthoven , Alaska Fishery Science Center

Mark Fina , North Pacific Fishery Mgmt Council

Nicole Kimball, North Pacific Fishery Mgmt Council

Drew Kitts , Northeast Fishery Science Center

Carl Lian , Northwest Fishery Science Center

Purpose-Objectives-Agenda

- To discuss the key issues that are arising for NFMS and Council economists as DAP programs are introduced or evolve
- To generate some thought and discussion about how management with dedicated access privileges (of various flavors) will change the analysis and research NMFS and Council economists will be or should be doing and the data needed for that research and analysis
- Short panelist presentations followed by discussion

Panelists and Topics

- Nicole Kimball (North Pacific Fishery Mgmt Council) –
 - Halibut & Sablefish Community Quota Share Purchase Program
- Mark Fina (North Pacific Fishery Mgmt Council) -
 - Data and analytical requirements under DAP systems – crewmember initiatives at North Pacific Council
- Drew Kitts (Northeast Fishery Science Center) -
 - Sector Allocations in the Northeast
- Carl Lian (Northwest Fishery Science Center) -
 - Development of the West Coast Limited Entry Trawl DAP
- Dan Holland (Gulf of Maine Research Institute) -
 - Quota price data: a New Zealand perspective
- Ron Felthoven (Alaska Fishery Science Center) –
 - Data Collection in Rationalized Fisheries

Key Issues and Conclusions

- There are a variety of institutional structures for DAPs besides traditional ITQs (e.g., cooperatives, community development quotas, community quota ownership organizations, two-pie harvester-processor quotas, etc.).
- Each has advantages and disadvantages and no specific system will be best in all cases.
- NMFS and the Councils need to be thinking proactively about how DAPs can be designed to address a variety of social and logistical concerns as well as promote sustainability and profitability.
- Education and outreach to stakeholders on alternative DAP systems and their pros and cons is needed.

Key Issues and Conclusions

- Distributional issues are likely to be a primary concern when implementing DAPs and NMFS and the Councils will be called on to evaluate issues such as:
 - Concerns over negative impacts on fishing communities
 - Determining who represents the 'community' in a share-based program
 - Concerns over impacts on processors and crew
 - Should groups other than permit holders be allocated fishery shares
- Evaluating the potential impacts of DAPs requires data not typically collected by NMFS (e.g., community dependence on fisheries, crew participation histories, financial data on crew and processing operations as well as fishing operations).
- NMFS needs to begin collecting data for evaluating the potential impact of DAPs well before they are implemented.

Key Issues and Conclusions

- Management with DAPs creates new questions, new types of data and new data needs for managers.
- Managers may need to evaluate economic impacts on different groups and must be concerned with unfair trade practices in quota markets as well as fish markets.
- Data on sale and lease of DAPs can be used to evaluate fishery performance, tune various management measures and compliance activities, and evaluate unfair use of market power in DAP markets.
- DAPs can be administratively costly to set up and monitor. They may require substantial additional cost for gathering data and analysis to support implementation and to evaluate impacts.

Key Issues and Conclusions

- Increased observer coverage is sometimes used with DAP programs to account for discards and monitor individual vessel or cooperative level allocations. Costs of increased observer coverage offset the efficiency gains from introducing DAPs, and this should be considered in evaluation of DAPs.
- Increased observer coverage may also be worthwhile to understand biological and operational implications of changes in prosecution of fisheries under DAPs.
- Data acquisition can be costly and intrusive. Careful thinking about what data is needed and how to collect it is needed to reduce cost, improve quality and reduce resistance to providing data.
- Mandatory provision of economic data by fishers, processors and DAP holders may be necessary and may reduce the costs of acquiring data but this is not sufficient to ensure good quality data.