

# MARINE FISHERY ALLOCATION ISSUES

Findings, discussion, and options

Prepared for the National Marine Fisheries Service

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MARINE FISHERIES AND OCEAN ENVIRONMENTAL POLICY

# Fisheries Allocation Project Report

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### LIST OF ACRONYMS USED IN REPORT

ACE	Annual Catch Entitlement
ACL	Annual Catch Limit
AM	Accountability Measure
CCA	Coastal Conservation Organization
FMP	Fishery Management Plan
GMFMC	Gulf of Mexico Fishery Management Council
HMS	Highly Migratory Species
IFQ	Individual Fishery Quota
IQ	Individual Quota
ITQ	Individual Transferable Quota
LAPP	Limited Access Privilege Program
MAFAC	Marine Fisheries Advisory Committee
MAFMC	Mid-Atlantic Fishery Management Council
MSA	Magnuson Stevens Fishery Conservation and Management Act
MRFSS	Marine Recreational Fishing Statistics Survey
MRIP	Marine Recreational Fishing Information Program
NEFMC	New England Fishery Management Council
NMFS	National Marine Fisheries Service
NPFMC	North Pacific Fishery Management Council
NOAA	National Oceanic and Atmospheric Administration
NS	National Standard
PFMC	Pacific Fishery Management Council
RFMO	Regional Fishery Management Organization
SAFMC	South Atlantic Fishery Management Council
TAC	Total Allowable Catch
WPAC	Western Pacific
WPFMC	Western Pacific Fishery Management Council

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## INTRODUCTION

Allocation of fishery resources is an integral part of fishery management. Through this process, the privilege to access certain fisheries or amounts of available fish are granted to individuals or groups based on a set of criteria established in a fishery management plan. Direct fisheries allocation is defined as a deliberate distribution of opportunity to participate in a fishery among identifiable, discrete user groups or individuals. Management decisions may also result in indirect fisheries allocation through unintended impacts to users' access to fish resources.

Allocation of fishery resources is one of the most difficult parts of fishery management for many reasons, including changes from traditional views of access to fisheries and the granting of limited or selective access to fisheries. Allocation decisions result in different stakeholder perceptions about the relative fairness of the process and their outcome; because allocation decisions result in access to available fish being divided proportionally among different individuals or groups, the resultant proportions are often perceived as being unfair. Allocation decisions also have real, significant economic implications for participants, including those stakeholders who are excluded from a fishery by allocation determinations. The effective period or perceived permanence of allocation decisions is also a contentious issue. This is because allocation decisions are often perceived as being very difficult to change by stakeholders who desire real exploration of alternative management outcomes. In contrast, stakeholders who seek business and planning stability want management decisions that are not constantly undergoing examination or change.

The Office of Sustainable Fisheries of the National Marine Fisheries Service (NMFS) undertook the Fisheries Allocation Project to broadly examine fishery allocation issues. The attention to allocation came from a number of directions. First, fishery management is an evolving process from the biological and social science perspectives. Although allocation has always been part of fishery management, the federal fishery management process has historically emphasized controlling fishing mortality and rebuilding fish stocks. Implementation of the 2007 amendments to the Magnuson Stevens Fishery Conservation and Management Act (MSA), which mandated Annual Catch Limits and Accountability Measures in all fisheries, shifted the focus of federal fishery management from overfishing to other issues, including allocation. Therefore, it is no surprise that stakeholders asked Regional Fishery Management Councils (Councils) and NMFS to examine new allocation issues or revisit past fishery management decisions. Second, the National Marine Fisheries Service is looking at all regulations for regulatory staleness, i.e. to determine whether they are still needed or need updating. From this perspective, the examination of allocation issues assists determining whether past allocation decisions are "stale" from a regulatory perspective. Last, the National Oceanic and Atmospheric Administration (NOAA) committed to review allocation process and goals as part of the 2010 Recreational Saltwater Fisheries Action Agenda.

For this project, allocation is broadly defined as including any process that apportions access to fishery resources or a portion of available fish catch to recreational, commercial, catch share systems, ecosystem function or other categories.

## METHODOLOGY

The project was conducted through a nationwide series of discussions with stakeholders in marine fisheries management. Stakeholders with whom conversations were held represented a variety of sectors, including regional fishery management councils; federal, state, and tribal fishery agencies; commercial fishing; recreational fishing; environmental advocacy; and academia. Project participants were asked a set of questions (Appendix 1) regarding their perceptions of allocation issues in their regions or based on their expertise. Most discussions were conducted by telephone; a few were done in person or through email. Some people contacted either did not respond to requests for their time or were unable to schedule

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time to talk. Project participants were initially chosen from the list of Council Chairs, Vice Chairs, and Executive Directors and Regional Administrators of the National Marine Fisheries Service. This list was expanded based on the conversations with project participants for other people in their area or area of expertise with the goal of reaching people with a broad range of views on allocation.

Interview answers are qualitative and are aimed at exploring ideas and perceptions about allocation issues. Participant answers to project questions were transcribed, compiled, and grouped based on similarity of responses. Responses to project questions are contained in Appendices 2-10. In the appendices, numbers in parentheses behind individual statements indicate multiple answers that were very similar.

### RESULTS

As mentioned above, project contacts were chosen to obtain a broad spectrum of views on allocation from a geographic, interest, or affiliation perspective. Of the 157 people contacted for the project, 114 discussions took place. The distribution of conversations by region is shown below in Table 1. Table 1 also shows the number of interviews by jurisdiction (state, territory or jurisdiction, e.g. NMFS region) because the number of jurisdictions per Regional Fishery Management Council area varies considerably.

**TABLE 1: NUMBER OF CONVERSATIONS BY REGION**

Regional Affiliation	Number of Conversations	Number of conversations by state, territory, or jurisdiction
Western Pacific	3	0.7
North Pacific	11	3.7
Pacific	24	6.0
Caribbean	3	1.5
Gulf of Mexico	9	1.8
South Atlantic	20	5.0
Mid Atlantic	23	3.3
New England	21	4.2
No Regional Affiliation	17	N/A

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The organization or interest affiliation of project participants is contained in Table 2. Participants with more than one affiliation are listed in multiple categories; e.g. a state agency director who is also a regional council member, or a regional council member who is also a recreational stakeholder, would each occur in two categories.

**TABLE 2: CONVERSATIONS BY ORGANIZATION OR INTEREST GROUP**

Organization / Interest Affiliation	Number of Conversations
Regional Fishery Management Council	56
National Marine Fisheries Service	17
State Marine Fishery Agency	25
Tribal Representative	3
MAFAC	4
Other Management	4
Commercial Fishing	26
Recreational Fishing	15
Advocacy	11
Highly Migratory Species	7

Responses to individual questions are contained in Appendices 2 to 10 organized by general categories. Within the general categories, individual responses are listed to allow readers to see the variety of responses and to draw their own conclusions about responses given.

### DISCUSSION

An overall impression from the conversations is the thought and passion the majority of stakeholders demonstrated in discussing allocation. Despite their widely varied backgrounds and perspectives, most of these stakeholders have clearly given much thought to fishery allocation issues. These stakeholders are impacted by allocation decisions as fishermen, communities, and businesses, as council, federal, tribal or state representatives, or as advocates for commercial and recreational fishing industry members, environmentalists, or other interests. Many respondents replied in a manner that reflected their personal allocation experiences as compared to a broad examination of allocation issues, i.e. allocation is a localized, experience-based issue for them.

Question 1 asked whether people thought that the Councils and NMFS were not interested in allocation issues. Complete responses to Question 1 are contained in Appendix2.

The majority of respondents believe that the Councils and NMFS do have an interest in allocation issues. However, a significant number of people believe that the Councils and NMFS do have a lack of interest in forthrightly addressing allocation issues. The bulk of these responses came from recreational or environmental advocacy stakeholders. Additionally, most were not from Councils or management agencies. However, a few of the responses that Councils and NMFS lack interest in addressing allocation issues did come from inside Councils or management agencies.

- ♦ *There's an interest in allocation because there has to be*
- ♦ *Allocation is the heart of management*
- ♦ *Councils appropriately address allocation issues*
- ♦ *Won't do unless there's a gun pointed at their heads*

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A comparison of some of the responses to this question illustrates the disparate views of engagement in allocation issues among the many interests in marine fisheries management and the difficulties faced by managers in trying to arrive at logical allocation solutions that everyone agrees to. For example, four responses to this question are listed in the adjacent box.

- ♦ *There are no good solutions to allocation issues*
- ♦ *We get wrapped around the axle on allocation issues*
- ♦ *Allocation is a freakin' nightmare*
- ♦ *Allocation requires the will to do the hard part of fisheries management*

People within the fisheries management system, i.e. Councils, NMFS, or state agencies, generally believe that they are addressing allocation issues but many are dissatisfied with the results of allocation deliberations and decisions. This dissatisfaction is the result of many issues, including inadequate tools to make quantitative allocation decisions, the perception that both allocation decisions and managers will be criticized regardless of the decision made, lack of a vision of how allocation “success” is defined, differing views of what a fair allocation decision looks like, unwillingness to revisit past allocation decisions because of the difficulty of addressing the issue, and the feeling that allocation issues are never resolved.

When interviewees were asked why allocation issues have or have not been addressed, many respondents identified the difficulty and stress in addressing allocation. Many responses fell into the “no good deed will go unpunished” category, i.e. managers will be criticized and personally attacked for making allocation decisions. There is also a concern about the workload burden for councils and other managers in addressing allocation issues, particularly in light of other fishery management plan elements required by law. Some respondents believed that managers’ lack of training or ability is a key factor in the management system not addressing allocation issues; in particular, these respondents felt that the biological training or emphasis among managers hinders their ability to find allocation solutions, and that training in the social sciences provides skills better suited to allocation discussions. A number of respondents commented that there aren’t sufficient tools available to them for making allocation decisions.

- ♦ *Lack of tools to revisit allocations in a new way*
- ♦ *Managers don't know where to start*
- ♦ *No systematic framework to address allocation*
- ♦ *Not a lack of interest, a lack of ability*
- ♦ *Most participants ... are poorly trained for allocation discussions*

Responses to Question 1 related to Councils and NMFS show a diversity of views on the roles and responsibilities of Councils and NMFS for allocation processes and outcomes. These responses show the varied perspectives about where leadership on allocation discussions should reside, with some believing NMFS should lead the discussions and others believing that the Councils should be in the lead on allocation discussions. These divergent views suggest that NMFS and Councils need to clarify their respective roles and responsibilities at the beginning of allocation discussions, including discussions with stakeholders. This could help Council members and associated stakeholders in the future to minimize confusion regarding the respective roles of NMFS and the Councils, a confusion that can increase the tension and mistrust about how allocation is addressed.

- ♦ *NMFS is interested in the issue*
- ♦ *NMFS is not interested but the Council is interested*
- ♦ *[Allocation] discussion” must be lead by Councils*
- ♦ *NMFS must address allocation head on*

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Question 2 asked respondents what allocation issues they believe need addressing; a complete list of responses are contained in Appendix 3. Many of the responses can be put in the following broad categories: accumulation limits; crew share; community issues; new entrants; fleet diversity; recreational / commercial issues; data needs; ecosystem responses; changing conditions; and review of existing allocation decisions and processes. The number and breadth of responses demonstrate that there are many outstanding allocation issues that participants in the fishery management system believe warrant attention in the fishery management process.

- ♦ *No allocation issues need addressing*
- ♦ *How often to revisit allocations*
- ♦ *Allow markets to drive allocations*
- ♦ *The Councils are rusted shut; they ostensibly revisit allocations but don't really consider re-examination*
- ♦ *MSA doesn't allow reallocation*
- ♦ *Need to look at community ...*
- ♦ *Improve transparency of process*

Question 3 asked whether stock size and/or annual catch limits (ACLs) provide an opportunity to address long standing allocation issues (or issues that may have arisen recently but are still unresolved). Complete responses to Question 3 are contained in Appendix 4. More respondents answered affirmatively than negatively to this question.

- ♦ *To allow fairness, issues missed in initial allocations*
- ♦ *Technically, yes. Enough impetus to do something, no*
- ♦ *The concept lessens the pain of allocation shifts*
- ♦ *Counters the perception of permanence*
- ♦ *Provide new opportunities*
- ♦ *New fish provides the opportunity to reallocate*
- ♦ *A tremendous potential opportunity*

Many of those who responded affirmatively stated that more fish overall lessens the pain of allocation discussions and provides the opportunity to address issues missed in previous allocation discussions. However, at least one respondent commented that additional fish won't help with allocation issues because of the inherent difficulty of addressing allocation regardless of stock level.

A significant number of people responded that stock size increases do not provide an opportunity for addressing unresolved allocation issues. Some of these responses indicated that this is not a stand-alone issue and that allocation is not linked to stock size. One person responded that allocation should be done once and then the fishery economic system will take care of future changes in fish available because of either increasing or decreasing stock conditions.

- ♦ *Not a standalone issue*
- ♦ *Won't work with ITQ systems*
- ♦ *Don't use stock size to fix political problems*
- ♦ *Allocate once then let the fishery economic system take care of it*
- ♦ *Problematic basis for reallocating*
- ♦ *If it's okay with increase, what to do with decreasing stock size?*

Some West Coast respondents, from agencies and the fishing industry alike, suggested that this was more of an East Coast issue rather than one of national scope. Additionally, a number of respondents involved in fisheries with low stock abundance or poor data responded that, while the concept of changing allocation with increased stock size has merit, they were faced with significant restrictions in their fisheries, a condition that did not lend itself to discussions of how to allocate future catch increases.

Question 4 asked whether the cumulative changes in policies, stock condition, etc. have changed the status quo sufficiently to trigger an examination of allocation policy. The essence of the question is whether a comprehensive look at allocation issues and policies is warranted or

- ♦ *Need a vision before making policy changes*
- ♦ *What is the set of national policies to trigger change?*

whether policies and actions related to allocation are best left to an ad hoc evolution in policy and practices over time. Complete responses to Question 4 are found in Appendix 5. Respondents tended toward strong responses to this question with many people believing that a comprehensive or "big picture" look at allocation would be timely and necessary. At the same time, many believe that a



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comprehensive examination of allocation is not needed and, in fact, comes with significant risks to the fishery management process.

A number of reasons were given by respondents who favored a comprehensive examination of allocation issues. These included comments that changes over time in human population, seafood demand, recreational fishing, and intended allocative consequences of past management decisions are sufficient reason to undertake this effort. Some respondents believe that a vision for the nation's fisheries is needed and should be part of a comprehensive review. Others favored a comprehensive approach because they believe changes such as the NOAA Catch Share Policy needs review in the context of broader marine fisheries policy. Others thought that a comprehensive review of allocation issues is an integral part of adapting to ongoing changes in fisheries and the nation. Some mentioned a desire to look at what is "fair and equitable" as required in National Standard Four.

- ♦ *Embrace the arguments and move ahead*
- ♦ *Policies need to be re-examined, more guidance is needed to look at what's coming in the future*
- ♦ *There hasn't been a big picture look; it's necessary*

At the same time, other respondents gave many reasons supporting the belief that a comprehensive examination of allocation policy is not needed. Some believed that current plans and policies have not been in place long enough to warrant a comprehensive review and that a "lessons learned" analysis is needed before engaging in a review. One commenter stated that councils are competent to make good, regionally-oriented decisions with the implication that a national review isn't warranted. A number of respondents stated that a comprehensive review comes with a significant risk of a top-down, uniform approach that will harm fishermen and states; they were leery of broad national policies. One person suggested that reauthorization of the MSA would be the right venue if a comprehensive review of allocation policies is conducted.

- ♦ *Don't review issues too soon after they're put in place*
- ♦ *Pandora's box quality to this issue*
- ♦ *Reauthorization of MSA would allow a big picture look*
- ♦ *Favor iterative approach, national look won't help*
- ♦ *Each Council / region is different; don't use a 'one size fits all' approach*

Question 5 asked whether reviews of allocation issues had occurred and whether reviews carried out were timely and sufficient. Complete responses to Question 5 are contained in Appendix 6.

Some respondents stated that reviews have been done in a complete, regular, and timely manner, i.e. there have been sufficient reviews of past allocation decisions. This group responded that periodic reviews had been done, that they'd been sufficient, and that reviews were incorporated into the normal decision-making process. A couple of responses indicated that reviews were incorporated with changes in management or when changes were made to allocation programs. One respondent expressed the concern that formal review of allocations would be a major undertaking.

- ♦ *Incorporated in normal decision making*
- ♦ *Reviews have been informal but sufficient*
- ♦ *Have had long, exhaustive reviews, timeliness is good*
- ♦ *Have tried and spent the right amount of time on allocation reviews*
- ♦ *Reviews take place every year with the spec setting process*

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However, a greater number of respondents expressed the concern that reviews had not been conducted or that reviews were insufficient or inconsistent. The majority of comments in this category suggested that reviews have been done inconsistently and infrequently, with some comments suggesting that there was much discussion but not a full review of allocation decisions.

- ♦ *Reviews have been infrequent, inconsistent*
- ♦ *Generally, reviews have not taken place*
- ♦ *[There's been] no time when allocations are reviewed*

A number of responses suggested that reviews were useful but that reviews should not be conducted too frequently. Some respondents voiced the concern that reviews not take place too frequently with one respondent stating “longer is better with catch share programs”. These concerns came in part from the idea that allocation and management measures need time to work and, without this time, information would not be available to accurately assess the effect of the allocation process relative to other components of a particular fishery management system. Some respondents also mentioned reviews and allocation discussions that took place too frequently weakened the stability needed for business planning. Concerns about the time needed to conduct reviews were also expressed by a number of people because of the workload and time constraints imposed by other ongoing Council and NMFS activities.

All Councils were contacted after the preliminary discussions to further explore the timing and manner in which allocation reviews were conducted. All Councils that have had allocation provisions in their fishery management plans for a number of years have conducted reviews of allocation systems and/or decisions. Two issues emerged from these conversations. First, these reviews have not been done in a regular, consistent manner which makes it harder for stakeholders to understand the review itself and the process by which reviews are conducted. Second, there may not have been an explicit notice about the reviews which could make it hard for stakeholders to know that the reviews had been planned or were conducted.

Question 6 asked respondents for different types of allocations; complete responses are listed in Appendix 7. This list illustrates the breadth of allocation issues that are important to people around the nation and the need to be aware during the management process of all types of allocation issues that stakeholders are considering. The wide range of allocation categories mentioned by respondents and the different interpretations of a single allocation type, e.g. spatial allocation, suggests that the allocation category being considered in Council or NMFS management discussions needs to be clearly defined and then reinforced as different people, organizations, and meetings consider a particular allocation issue.

Question 7 asked whether there was a need for some sort of allocation guidance from NMFS and, if so, what format the guidance should take. Complete answers to Question 7 are contained in Appendix 8. A nearly equal number of respondents responded positively as responded negatively to this question.

Some people who responded that allocation guidance was not needed argued that there was currently enough guidance in place to properly consider allocation issues. Some stated that this included the guidance contained in the National Standards and NOAA Catch Share Policy. Others believed that national guidance is not helpful because of its complexity. Others do not trust

- ♦ *Stay out of allocation, it is very sensitive business*
- ♦ *National guidance is not intelligible or useful*
- ♦ *There is enough guidance in place*
- ♦ *Beware of one size fits all, Councils need flexibility to gain buy-in”*
- ♦ *The National Standards are sufficient*
- ♦ *Haven't found federal guidance very useful*
- ♦ *Concerned about decisions being made at the political level*
- ♦ *Keep federal government out of business*
- ♦ *NMFS should mind their own business*
- ♦ *Suspicious of letting NMFS address human issues*

NMFS to produce guidance useful to their fisheries or regions because they believe NMFS is making

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decisions at a political level and that the agency favors a uniform, “one size fits all” approach. A number of people from the Pacific region commented that NMFS is biased toward East Coast Issues. A number of respondents stated that the Councils are the right level for allocation decisions and that Councils are best suited to address allocation issues because they have a good reputation with fishermen and because the Councils have better “on the ground” knowledge about what is going on in the fisheries under their jurisdictions.

Of those that responded that additional allocation guidance would be useful, many respondents raised the idea of a manual or guidance document for Councils and other management bodies to refer to when considering allocation. Responses on what the elements of the guidance manual should be were more varied. A common response was the idea of a checklist of things to consider when developing allocation systems. Ideas for inclusion in the checklist included new entrants, communities, a timeline for review of allocation decisions, accumulation limits, crew issues, the types of information and analyses needed for regulatory impact analysis, and how to use social and economic data.

- ♦ *Overall guidance would be helpful*
- ♦ *Guidance to allow allocation based on value of fishery*
- ♦ *NMFS should be upfront about allocation options*
- ♦ *Use in a general sense, fleshing out ideas in a guideline, checklist format*
- ♦ *Guidance with a small ‘g’*
- ♦ *Criteria needed for logical [allocation] choices*
- ♦ *Don’t need Federal Register guidance. Rather, help with guidance and principles*
- ♦ *Need for some guidance, policy statement beyond National Standard 4*

Another idea mentioned by respondents who favored guidance, as well as some who didn’t favor allocation guidance was to develop a compilation of types of allocation systems from the US and other countries, an evaluation on the effectiveness of the various systems, and the tools available for development, implementation, and review of these systems. Independent of this project, staff of NMFS Office of Sustainable Fisheries has drafted a document that reviews laws, guidance, technical memorandums, and case studies about US fisheries allocation systems and decisions (Morrison and Scott, in prep). Some general comments suggested that guidance should come with a small “g”, i.e. that it should be guiding principles not mandates.

Question 8 asked respondents what NMFS can do to help with allocation beyond the guidance discussed in Question 7. Complete responses to Question 8 are found in Appendix 9. Many respondents favored additional biological data, particularly on data-poor species, because the lack of data is viewed as an impediment to allocation discussions as well as overall fisheries management. The lack of data is an allocation issues because it creates increased uncertainty in assessment results, which subsequently leads to precautionary management, lower catch limits, and more difficult allocation discussions and decisions. Many respondents said that more and better socio-economic data are needed to support allocation decisions. One respondent stated socio-economic data were not useful because of confidentiality restrictions limiting the accessibility and use of data important to allocation discussions.

- ♦ *More data for data poor species needed for allocation*
- ♦ *More timely data for management*
- ♦ *Need better recreational landings data [for allocation]*
- ♦ *Improved data base on catch history*
- ♦ *Scientific data needed to allocate well*

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A number of respondents mentioned the need for adequate funding for biological and social science research to support Council management. Funding to allow Councils to address allocation issues more comprehensively was also mentioned. There were a number of comments that called for additional work to be done on economic valuation of fisheries and economic models needed for allocation analysis.

### *Funding needs mentioned for:*

- ♦ *Biological data collection*
- ♦ *Socioeconomic issues and data*
- ♦ *Council operations so that socioeconomic issues can be addressed*
- ♦ *Gather data about supply chain*
- ♦ *Funding that doesn't take away from other programs*

There were many responses on the role that NMFS should take in allocation discussions and deliberations. A few suggested that the best role for NMFS was to “stay out of the way” or that NMFS tends to be overbearing. Many more comments suggested specific actions for NMFS to take in allocation discussions. A number of respondents believed that NMFS should remain neutral while asking the tough questions and raising the tough issues regarding allocation. Many respondents believed that NMFS should facilitate the understanding and discussion of allocation issues. There were also suggestions about more outreach on allocation issues through workshops and making information available to participants in the Council process.

- ♦ *NMFS should be more involved, take a facilitator role*
- ♦ *Be supportive of Councils*
- ♦ *Stay out of the way*
- ♦ *Keep a low profile, keep it academic*
- ♦ *Make sure the management process is honest*
- ♦ *Try to lay the groundwork for the discussion before ‘ripping the Band-Aid off’*
- ♦ *NMFS must be involved in allocation but is slow to get started; need to get ahead of issues and ‘spin game’*
- ♦ *Be more proactive where stocks straddle state / federal boundary*
- ♦ *Get over attitude of ‘winners and losers’ and get back to MSA*

Question 9 asked respondents about cautions they may have regarding allocation issues based on their experiences. All responses to question 9 are contained in Appendix 10. There were cautions mentioned about the development and structure of allocation systems. This included the basis for allocation, essential elements, impacts of allocations, and allocation system review.

A number of respondents expressed caution about making changes to allocations. This included the need for a sound basis for making changes to allocation, not continually reallocating, and not forcing re-addressing allocation issues where they're working.

- ♦ *Don't screw up years of work, success to date*
- ♦ *Be mindful of business stability*
- ♦ *Allocations should not be permanent*
- ♦ *People will say anything to get more fish*
- ♦ *If anything, we're too cautious*

There were many suggestions about issues such as length of allocation, permanency, adapting to long term changes, individual transferable quota (ITQ) managed fisheries, enforcement, etc. that are contained in Appendix 10. Although these categories were not mentioned by many respondents, they demonstrate the breadth of issues of concern and the need for the management system to pay attention to these issues.

- ♦ *Don't force change with allocation in ITQ fisheries*
- ♦ *ITQ allocations are ‘one off’ events*

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A number of respondents expressed concerns that allocation discussions were being used, by either recreational or commercial stakeholders, to improve an interest's perceived positions in allocation debates relative to the competing interest. Both perspectives were concerned about what they perceived as unfair treatment in past decisions.

- ♦ *Constrain commercial and recreational sides equally*
- ♦ *Beware of dominance of commercial sector*
- ♦ *Beware of allocation being used to get rid of commercial fishing*

Responses concerning cautions about people involved in the management system serve to remind management professionals about the sensitive nature of allocation and decisions, the concern for undue political influence on allocation, and perceptions about the fairness of the management system in making allocation decisions. These responses demonstrate the need for ongoing, transparent, and clear discussions about allocation systems and issues.

- ♦ *How to consider the views of people who aren't in positions of influence*
- ♦ *People will say anything to get more fish*
- ♦ *Impact of few, vocal, influential people on the political process*
- ♦ *Managers only hear from the winners*

### OPTIONS FOR NEXT STEPS

Allocation of fishery resources is fundamentally a judgment call on the part of managers about how managed resources are divided among stakeholders; in essence, allocation decisions weigh many factors to arrive at a decision that are determined by managers to be in the best interest of the fishery and public. These judgment calls by managers are guided by laws and regulations designed to make the allocation process as fair and open as possible, as determined by agency or legal review. Granting of access to stakeholders through allocation processes results in widely varying conclusions about the fairness of the allocation among those impacted by specific allocation decisions and by stakeholders interested in fisheries management, and their respective views about what they believe is an equitable allocation outcome. The perceptions about the fairness of allocation decisions or systems are not static; they vary based on changes in fish abundance, economics, and information available to stakeholders at a particular point in time. Consequently, it is not surprising that allocation outcomes elicit such visceral reactions among stakeholders in the fishery management process. The responses to project questions demonstrate the often conflicting and overlapping views about problems with allocation systems and what might be done to correct the both underlying policies and specific allocation issues.

Despite all of these difficulties, the issue of allocation is omnipresent in fisheries management; it is the "elephant in the room" that most participants acknowledge as critically important to their interests but either is not discussed or is discussed unsatisfactorily, for many of the reasons stated in project responses. Virtually everyone involved in fishery management is unsatisfied with some aspects of allocation discussions and decisions, but they clearly have differing reasons for their dissatisfaction. For example, those who want greater access to a fishery believe that National Standard 4 language, stating that the allocation of access to fisheries or quota should be fair and equitable, dictates that there should be concrete, timely action taken by fishery managers to allow users greater access to the fishery in question. Conversely, many of those who have sufficient access to fisheries or quota believe that the processes used to establish allocations were done in a fair, equitable, and public manner, and that those who want another outcome are simply seeking a re-allocation of fishery access based on criteria that have not been implemented through the particular fishery management process.

Many of these stakeholders use the fishery management process to promote their respective positions about what they believe "fair and equitable" means. This can mean maintenance of status quo allocation provisions, a shift from commercial to recreational fisheries, a shift from small boats to big boats or big

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boats to small boats, a shift of allocation among states or regions, or some other perceived measures of fairness and equity. It also appears that many of these stakeholders will continue to view allocation systems as unbalanced or unfair unless the outcomes are close to the positions they seek. The desired outcome could be more fish allocated to recreational interests for economic or demographic reasons, a greater protection of commercial allocations for traditional or community maintenance, allocation to a particular gear type because of efficiency or bycatch minimization, or a specific allocation for some component of ecosystem function. The result of these differing perceptions of success means that the gain of one interest will likely mean a loss for some other interest with dissatisfaction with the outcome being felt by some interest groups. For fishery managers, it means allocation decisions will almost certainly be criticized as unfair, regardless of the process used to design and implement the allocation system.

The varied responses to project questions suggest that future discussions and actions regarding allocation could take a number of directions to address targeted allocation issues or to address narrow, and perhaps more solvable, issues of interest to a particular Regional Fishery Management Council, region or stakeholder group. However, a piecemeal approach will not address the underlying issues that resulted in perceptions of unfairness or lack of attention to particular allocation issues in the first place. Some options for addressing some of the allocation issues raised in this report includes the following issues which are individually discussed in greater detail below. The list below is not intended to be exclusive; readers of the report and participants in fisheries management will likely find other options equally worth considering in addressing difficult, often long-standing, allocation issues.

- Stakeholder engagement
- Increased biological and social science research
- More formalized review of allocation decisions
- Compilation of allocation decisions
- Guidance on issues to consider in allocation deliberations
- Revision of National Standard 4

### Stakeholder engagement on allocation

Examining responses to project questions shows that allocation is an extremely difficult issue, or suite of issues, with little consensus or common vision on how to better address problems with allocation. This strongly suggests that continuing and basic engagement with fishery management stakeholders could help to address allocation issues in a way that allows stakeholders to better understand, and be more accepting of, the results of allocation decisions. This engagement could be used to clarify the roles of parties in fisheries management, most notably the Councils and NMFS, and to define, or reinforce, terms and concepts used in allocation deliberations. Project responses also suggest that fishery management leaders and stakeholders need to engage in specific, targeted discussions about allocation. The discussions should address key issues or points for which there are different opinions on current conditions, or where to go in the future with allocation discussions. Examples of issues that could be considered include in engaging stakeholders include:

- 1) The role of NMFS in allocation discussions and decisions
- 2) The role of the Regional Fishery Management Councils in allocation discussions and decisions
- 3) The idea that a fair and open allocation process does not mean that there will be consensus on the outcome.
- 4) Guidance on allocation issues to consider during management discussions
- 5) A compilation of allocation systems and decisions
- 6) Review of allocation decisions



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- 7) The appropriate length of time for particular allocations to remain in place
- 8) Impacts of changing human demographics on allocation
- 9) Impacts of climate change on allocation

This may seem like a simple solution to the incredibly broad and complex issue of fishery allocation. However, a deliberate, well-conceived discussion and outreach process could help fishery stakeholders understand the fundamental components of fair, sound allocation deliberations, and could help fishery managers better explain the basis for allocation decisions. These discussions should engage stakeholders on allocation issues on a continuing basis, importantly including Councils in this outreach.

Widely divergent views of the respective roles of the Councils and NMFS were expressed by respondents. In addition, different stakeholders are approaching allocation issues from very different starting places and are using language in allocation discussions for which there isn't a common vocabulary. For these reasons, it is understandable that allocation discussions and decisions are difficult for most stakeholders in fishery management. Ongoing outreach could help overcome these differences so that stakeholders understand the allocation options available and the role of different parties in the management process, especially NMFS and the Councils. The recommended outreach could be done in a stepwise manner beginning with NMFS and the Regional Fishery Management Councils, Council stakeholders, organized groups and meetings, and the general public.

Outreach could be done in a variety of targeted venues to broaden the base of stakeholders being reached and to reach out to new audiences. Outreach directly to the Councils is a logical early step in this process. However, outreach should not be limited to the Councils as many stakeholders who are not regular followers of Council and NMFS activity may have a strong interest in how fish are allocated through the management process. Examples of groups to approach with outreach efforts include:

- Regional Fishery Management Commissions
- Recreational Fishing Organizations
- Commercial Fishing Organizations
- Industry Trade Shows

Stakeholder outreach and engagement could also be done through regional workshops where project results are presented followed by requests for input from audience members. This type of meeting would provide outreach outside Council or organized stakeholder discussions, providing a discussion forum outside meetings or groups that may be seen as unwelcoming or intimidating to people who may not be regular participants in the type of organizations listed above. Stakeholder outreach can also be done through targeted articles in print media and blogs that address marine fisheries issues.

### Increased biological and social science research

Many respondents mentioned that allocation discussions and decisions are hampered by inadequate information on the biology of managed species or stocks, and by the social science data of the people, industry, and areas impacted by fishery allocation systems. The allocation of data poor species was mentioned by many respondents as being particularly difficult because the information needed to assess and manage the species is sparse or non-existent, let alone how to divide available fish through an allocation process. Similarly, economic and social science data allow managers to better understand the human components of fisheries. This better understanding provides a more objective basis for developing and implementing allocation systems.

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The recommendation on biological and social sciences is to continue or increase the amount of research being done for fisheries under management. Increasing understanding of fisheries makes management decisions, including allocation, easier by reducing uncertainty underlying the tough decisions that are made with respect to allocation specifically and fishery management generally. Building capacity in social sciences should take place at NMFS and the Councils as both need the ability to better integrate this information and analysis in FMPs and management actions.

### Review of allocation decisions

The review of allocation provisions of fisheries management plans yielded a range of responses from no change is needed to the perception that allocation decisions are not reviewed at all by the Councils or NMFS. Many respondents also felt that reviews that did occur were infrequent and inconsistent. A number of issues emerge from the responses. First, how often reviews have taken occurred in the Councils. Second, is the thoroughness of allocation reviews that have taken place. Third, the language that is used by management system stakeholders influences perceptions about the permanence or tenure of allocation decisions.

One important component is the time period for reviewing allocation decisions. A number of respondents indicated that the issue of reviewing allocations comes up often in Council meetings with those desiring changes wanting reviews to be done often and quickly and those not desiring changes believing that allocation decisions are currently reviewed too frequently to allow enough time to pass to judge whether management measures are effective or ineffective. Additionally, respondents expressed concern about the lack of business planning stability that results from too frequent discussion or re-examination of past allocation decisions. Respondents mentioned both the ability to plan their businesses and the ability to secure financing as important parts of business stability. A number of respondents also mentioned the impacts of too frequent allocation or re-allocation discussions on Council member and staff workloads, expressing the concern that time spent on allocation takes away from consideration of other issues. In contrast, uncertainty about the time period for allocation reviews and concern that allocations take on a semblance of permanency are equally concerning to many stakeholders in the fishery management community. One respondent stated reviews “don’t take place often enough to serve the broader voices in the community.” Another stated “allocations shouldn’t be permanent.” This group believes that the current system makes it very difficult or impossible to change allocations once they are established.

Changing human demographics in coastal regions and climate change are additional reasons to conduct regularly scheduled reviews of allocation systems. The impacts of population growth were mentioned by a number of respondents for an increase in demand for recreational fishing and increased attention to allocation issues by recreational fishing stakeholders. Climate change will also cause fish abundance and distribution to change over time. Adapting fisheries management programs to climate driven changes will be a major issue in the future. An established review period will provide a known opportunity for consideration of these difficult but significant issues.

Another consideration with respect to review of current allocations is the issue of regulatory staleness. The Regulatory Flexibility Act (5 U.S.C. 601 et seq.) requires that regulations be reviewed to make sure that they are still needed and whether the regulations are still fulfilling the need for which they are implemented. A respondent stated that the “staleness issue is valid but how long before reviews”, i.e. what review period is needed to address this concern.

NMFS and the Councils could consider including a specified review period in fishery management plan allocation systems to address these problems. An explicit review period would provide:

- planning stability for fishing businesses, lenders, the Councils, and NMFS;



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- a known period for addressing outstanding or emerging allocation issues
- a set period to evaluate staleness under the Regulatory Flexibility Act
- a response to concerns about changing human demographics and ecological changes

An issue that is important to discussion of allocation is how long should an allocation system reasonably be expected to last, i.e. the length of time an allocation decision can be expected to remain in place. On one hand, the need for planning and business stability is clear. A business or fishermen needs to be able to plan for the future with the allocations associated with fishing permits. However, does this mean that the need for business and planning stability goes on indefinitely? If that is the case, the permit and quota take on a degree of permanence that is clearly not intended in the MSFCMA (except for exemptions for American Fisheries Act fisheries and IFQ plans approved prior to January 1995).

From a policy perspective, it seems that the more time that passes without discussion or resolution of what tenure or length of time is associated with allocations, the more that stakeholder's perceptions about length of tenure are reinforced. Further, as time passes without discussion or actions to change allocations, the likelihood that allocations will change diminishes.

### Compilation of allocation systems and decisions

Many respondents suggested that discussions about allocation would be helped by a compilation of allocation systems and decisions (management and court decisions) to have as a reference when considering allocation process and decisions that they are engaged in. NMFS staff addressed many of the issues regarding allocation systems and decisions in the US<sup>1</sup>.

The valuable information in this publication could be made more useful to stakeholders by making a shorter, more reader friendly version available for fishery management stakeholders. A summary document with types of allocation systems available, the use by the Councils, and allocation issues to consider would help people understand the issues being discussed and decisions made regarding allocation.

### Guidance on issues to consider in allocation

A number of respondents believed that it would be useful to have a guidance document or checklist of issues to be considered when developing and implementing an allocation system.

This suggestion comes from the concern that issues are not considered fully because they are overlooked in the pressures to complete management actions, the difficulty in discussing some of these issues, and the idea that trying to add new issues after the fact is incredibly difficult. The type of issues that might be considered under this concept includes accumulation limits, crew share, communities, and new entrants.

The checklist concept would allow the Councils, or NMFS in the case of highly migratory species, to consider which of the issues to include for development, consideration, and decision in a transparent manner. For example, in a given management action, are the issues of community and new entrants included in the management discussions or are they left out? This could help manage expectations of those who did not get their desired outcome from an allocation decisions that their issues of concern would be addressed in a substantive way at some later date. This idea would create more work and debate in the early phase of a management action but could save time in the long term as well as giving a clear response to all stakeholders about that components of an allocation system are included, or not, in a management action.

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<sup>1</sup> Morrison, W. and T. Scott. 2012. Review of Laws, Guidance, Technical Memorandums and Case Studies Related to Fisheries Allocation Decisions. NMFS In Prep.

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### National Standard 4 discussion

A number of respondents suggested that National Standard 4 guidance needs to be revised, specifically with improved language to clarify what is meant by being “fair and equitable.” The determination of fairness and equity is a value judgment based on available information and the record of development and decision making for a particular action. In the context of allocation, this has largely been done using some variant of historical landings or economic value to allocate resources to different components of a fishery. Using either landings or economic value in management actions results in long, difficult discussions about what period of time or combination of economic factors results in the most fair and equitable system. The NMFS Office of Science and Technology is preparing a document discussing technical methods for considering history or economics in fishery allocation. However, this document does not provide *new* methods to allocate fishery resources.

Revision of National Standards is difficult and often controversial. A change to one of the National Standards should be based on a compelling need and a clear sense that there is sufficient information to justify the change. In the case of National Standard 4, there do not appear to be new tools or information to initiate a change at this time. Another factor to consider is the concern that National Standard guidelines become mandatory rather than simple guidance, causing an increase in mandatory elements of FMPs; with a consequence of reducing the Council’s ability to exercise their judgment on the best provisions to manage fisheries sustainably and regionally. For these reasons, a revision of National Standard 4 is not recommended at this time.

### **CONCLUSIONS**

Allocation issues pervade fishery management discussions and decisions in the US, and likely elsewhere. Almost all fishery management decisions, direct and indirect, have allocative effects and stakeholders in fishery management are attuned to these impacts. Perceptions about the fairness of individual and cumulative allocation decisions can drive stakeholder’s perspectives about the fairness of the overall fishery management system.

As mentioned in a number of project discussions, fishery managers have a difficult time explaining the process, rationale, and outcomes of allocation decisions because. At best, it’s very hard to explain to a group or individual why a decision was made in a way that they do not agree with. In more difficult allocation discussions, it is nearly impossible to achieve an outcome that is not perceived as very unfair by some stakeholders.

Also evident from this project is that most managers and stakeholders favor an allocation process that is more efficient and understandable than currently done. Many suggestions were made about improvements to the management process to make allocation decisions more clearly understood, fairer, and based more on quantitative factors and less on qualitative factors which are often perceived as biased and arbitrary.

Clearly, there is difficult work to be done on allocation in the Nation’s fishery management system. A logical conclusion from this type of perception is that fishery managers at the state, regional, and national levels need to focus more time and resources to allocation discussions and decisions. This should begin in the initial stages of a fishery management action and should include clear, direct language about the allocation definitions and decisions to be made, who is responsible for the decisions, and how stakeholders can engage in the process.

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Similar to most difficult policy issue, progress lies in hard work, additional attention to the issue, and frank discussion among stakeholders. This project has identified some courses of action for decision makers to consider. Other options will likely be identified by decision makers and stakeholders as future discussions about how to best address fishery allocation is discussed in states, at Council meetings, and at National venues. This project is clearly an initial step in this important discussion.

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### APPENDIX 1: QUESTIONS USED IN ALLOCATION PROJECT

- 1) Some stakeholders have suggested that NMFS and the Councils have a lack of interest in addressing allocation issues. Do you agree with this perception?
  - a. Do you think that there are reasons that allocation issues might not be (or have been) addressed? If so, what are those reasons?
- 2) What are the allocation issues in your region, council, or area of expertise that need addressing?
- 3) Do stock size / ACL increases provide an opportunity to address long standing allocation issues? If so, what are these opportunities and how do you think should this be done?
- 4) Does the combination of hard catch limits, draft National Catch Share Policy, and/or stock growth change the status quo sufficiently to warrant or justify a reexamination of national allocation policies and allocation decisions in your region or area of expertise?
- 5) How often have allocation issues been reviewed and/or changes made to fishery allocations in your region or area of expertise? If a review has taken place, do you think that this review has been sufficient in terms of timing and completeness of review?
- 6) A list of types of allocation types is being developed (listed in Appendix 1) Are there other allocation issues in your region or area of expertise that should be added to this list?
- 7) Based on your experience, is there a need for some sort of allocation guidance from NMFS? If so, what format would be the most helpful?
- 8) If no guidance is needed, what can NMFS do to help the allocation process in your region or area of expertise?
- 9) Are there cautions about the allocation issues in your region or area of expertise that we should be aware of?
- 10) Are there other allocation issues that you would like to mention that are not contained in this list of questions?
- 11) Can you suggest other people in your office, region, or area of expertise that should be interviewed in the first phase of this project? The second phase, if it goes forward, will include a broader public outreach component.

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### APPENDIX 2: RESPONSES TO QUESTION 1

*QUESTION 1 - SOME STAKEHOLDERS HAVE SUGGESTED THAT NMFS AND THE COUNCILS HAVE A LACK OF INTEREST IN ADDRESSING ALLOCATION ISSUES. DO YOU AGREE WITH THIS PERCEPTION? DO YOU THINK THAT THERE ARE REASONS THAT ALLOCATION ISSUES MIGHT NOT BE (OR HAVE BEEN) ADDRESSED? IF SO, WHAT ARE THE REASONS?*

Responses to the general question are listed directly below.

Agree – 19

Partially Agree - 16

Disagree – 69

Note - numbers in parentheses after a response indicate the number of similar responses. Responses without parentheses indicate unique responses.

Note – text in brackets, [], added to assist in understanding responses

#### 1. Direct discussion of allocation is stressful, difficult (24)

- a. [Allocation is a] Complex issue
- b. Industry divided on allocation issue
- c. Fear of engagement [on difficult issues]
- d. Council members don't want to confront industry representatives
- e. Councils have attitude that this hurts because it's a difficult issue but it's their responsibility to address this difficult issue
- f. Requires the will to do the hard part of fishery management
- g. [Managers] not interested in raising a stink about allocation
- h. [Managers] avoid allocation, addressing only squeaky wheels
- i. Won't do [tough work like allocation] unless there's a gun pointed at their heads
- j. When Councils have discretion, they are very reluctant to take on allocation issues
- k. Think about biology and politics; not willing to dive in
- l. Allocation is a tough policy call, always have some stakeholders who don't like the results
- m. No good solutions to allocation decisions
- n. Afraid of complexity, it's a can of worms
- o. Different perceptions about what a fair allocation is
- p. Majority rules, "have" / "have not" mentality [affects progress on allocation]
- q. Not completely disinterested, selectively choose winners and losers, managers don't try to find balance
- r. Concern about personal reputations on part of managers
- s. Making allocation decisions is always "kicking the dog"
- t. When considering whether getting started on allocation, people are concerned about losing access – so why start [the discussion]?
- u. Very political, people want to keep their jobs [so they don't address difficult issues]
- v. Allocation is a freakin' nightmare
- w. Inertia reigns, the system won't change values unless pushed [to change]
- x. [Allocation is a] very contentious issue
- y. Have to get into a fight [to address allocation issues]
  - i. Should address sooner than later
  - ii. Gets ugly real quick
  - iii. Results in personal and professional attacks
- z. Allocation is approached with trepidation [by managers]

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- i. Strong, lopsided political economy
  - ii. Leads to an “all out war”
- aa. We get wrapped around the axle on allocation issues
- bb. Many are interested [in allocation issues] but there’s little agreement on an outcome
- cc. It’s a hard issue, particularly if you want to change allocations
- dd. Messy, brings out politics (9)
  - i. Lack of political will [on the part of managers]
  - ii. Lack of will to address objections and resistance by council members
- ee. Politically difficult because of perception of loss or gain (11)
  - i. No easy way to find the right mix
  - ii. Winners don’t want allocation discussions, losers want discussions
  - iii. Tug of war between haves and have nots
  - iv. Losers don’t like results, lack of response to their entreaties leads to perception of no interest
  - v. Narrow scope of allocation discussions results only in tweaks to historical allocations

### **2. Councils have addressed, and are addressing, allocation (10)**

- a. There’s an interest [in allocation] because there has to be
- b. Councils take on [allocation] when necessary
- c. Allocation has been done with much public process, many years of discussion
- d. Councils have data to allocate well
- e. Allocation issues are front and center but you can’t anticipate all outcomes
- f. Councils appropriately manage allocation issues
- g. Councils have been allocating but it’s been indirect
- h. Inaction is as deliberate as action on allocation issues
- i. Councils fairly well rooted on ground, addressing allocation issues
- j. Allocation has been addressed but we could be looking at a wider array of issues
- k. [Allocation] has been addressed but in wrong way
- l. Allocation is the heart of management

### **3. Perceptions of NMFS, Councils**

- a. NMFS is interested in the issue
- b. NMFS has done a competent job of involving parties
- c. NMFS is not interested but Council interested. In SAFMC, there was an allocation committee but NMFS backed away
- d. NOAA leadership very much in favor of addressing issue
- e. People think that the Council is stacked by special or narrow interests
- f. NMFS must address allocation head on; obligated by National Standards 4 and 5
- g. Must be led by Councils, state government
- h. NMFS does a competent job of involving impacted parties
- i. Some inertia is the past by NMFS, GMFMC [on allocation issues]
- j. Council system used to work; now under influences and is privatizing a public resource
- k. NMFS takes the easy way out [on allocation issues]
- l. NMFS and councils have an interest but it’s second on the list behind stock rebuilding
- m. Agency has overstepped its bounds with the NOAA Catch Share Policy
- n. Allocation is all that Councils do but don’t think that NMFS is engaged
- o. The degree to which allocation is addressed depends on the species and Council involved
- p. Extreme interest in allocation but not much direction from NMFS

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- q. Councils and NMFS sidestepping the allocation issue; user groups are afraid to give something up
- r. Insufficient guidance [to address allocation adequately]
  - i. No guidance from NOAA on how to define community, entity, state
- s. Lack of interest in allocation by commercial catch or ecosystem allocation
- t. Lack of interest because of apathy on part of public from the council perspective

### 4. Insufficient tools for allocation

- a. The lack of interest because there is a lack of tools to revisit allocations in a new way (3)
- b. No strong alternative economic model [to improve ability to make allocation decisions]
- c. Managers don't know where to start [on allocation issues] and how to move forward with anything that will work [better than the current methods of making allocation decisions]
- d. Lack of data constrains ability to give a portion of the resource to people
- e. Within agencies, people don't feel like they know how to tackle allocation
- f. It is a very difficult to address allocation broadly without clear objectives
- g. No systematic framework [to address allocation] in terms of
  - i. Timelines
  - ii. Analyses needed
  - iii. Development process
- h. No coordination with National Standards [on allocation decisions]
- i. The allocation process is hindered by the predominance of biological training among participants [in the management process]
- j. Not a lack of interest, rather a lack of ability
  - i. There has to be an equal basis among the parties
- k. Most participants are technically trained and poorly trained for allocation discussions; they lack the interpersonal skills to thrash through the issues
- l. People are scared of new forms of governance

### 5. Perceptions of history of allocation, management system

- a. A group of interests dominate the council, picked allocation years that were good for them
- b. The first exercise in allocation was an exercise in greed but the other side of the coin is sustainability and economic viability
- c. [The management] system is stacked against recreational interests
- d. People have a tendency to want more, regardless of allocation decisions
- e. Parties unwilling to think beyond their local issues, e.g. "my boats" selectively choose winners and losers, managers don't try to find balance
- f. MSA called for fair and equitable allocations but ended up with big, corporate style interests [dominating the process]
- g. The elimination of fishermen has been egregious [with past allocation decisions]
- h. The current system doesn't protect communities and small interests
- i. Allocation issues are driven by recreational interests
- j. [Allocation is] Imbedded in history of fisheries
- k. Much self interest a stake; [there is a tendency for participants to] protect "their" share
- l. Everyone has a piece of the fishery staked out
- m. Councils haven't responded at times on specific issues, e.g. community fishing banks
- n. Not seen as fair because it appears that the system benefits a small group of people
- o. NMFS and some council members are too interested in allocation by giving the resources to a limited group of people

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- p. Allocation sanctions a closed class of players
- q. [Allocation discussions are an] exercise in greed
- r. [Allocation discussion cause a] workload issue, [the discussion] takes away from conservation and other issues (8)
  - i. Because of other required work, Councils have chosen to ignore allocation

### 6. Comments specific to a region, council, or fishery

- a. Some areas (Pacific, Alaska, Mid-Atlantic, South Atlantic, Gulf of Mexico) willing to discuss allocation (5)
  - i. NPFMC – close relationship between Council and industry
- b. MAFMC not hot to work on allocation
- c. SAFMC, GMFMC much more interested
  - i. Much recreational pressure
  - ii. Has bled over into catch shares
- d. HMS always considering allocation (2)
  - i. easier because of no [direct involvement by] Councils

### 7. General Comments

- a. Readdressing [allocation] issue opens old wounds, don't want the conflict of reopening past allocation fights (10)
  - i. It is problematic to revisit past allocations in an equitable way
- b. All [management] decisions have allocative effects
- c. With ITQs and IFQs, allocation needs to be a one-time event
- d. Don't have data to allocate many species
- e. Concern about business planning stability for permit holders (2)
- f. Perception that allocations are set in stone, permanence (2)
  - i. Notion of locking things up forever is mind boggling
- g. [Managers are] concerned about of being sued (2)
- h. [Managers have] dealt with allocation through spatial management
- i. Attention to allocation is growing
- j. Social sciences have played 2<sup>nd</sup> fiddle, this has made [allocation] decisions harder
- k. Need a simpler process to implement changes [in allocations]
- l. The management system relies on old data and is unwilling to change
- m. Councils get to the first order of business, i.e. conservation, the rest is discretionary
- n. Before ACL's, Councils weren't willing to look at allocation
- o. Now that we have quota management, allocation will come quickly
- p. Requires a vision of what kind of fisheries that we want to have in the future
- q. No one answer, sometimes allocation is avoided [by managers], other times they charge in
- r. Problems caused by allocations have cascaded into other fisheries
- s. Future allocations will be much harder
- t. We either give care about socio-economics or we don't; [we need to] be honest with ourselves
- u. Pre-ACLs, Councils were cognizant of allocations but didn't do specific allocations
- v. Post-ACLs – very interested in allocation (because they have to be) but there is little interest in doing anything other than historical shares



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### APPENDIX 3: RESPONSES TO QUESTION 2

#### *QUESTION 2 – WHAT ARE THE ALLOCATION ISSUES IN YOUR REGION OR AREA OF EXPERTISE THAT NEED ADDRESSING?*

Note - numbers in parentheses after a response indicate the number of similar responses. Responses without parentheses indicate unique responses.

Note – text in brackets, [], added to assist in understanding responses

#### 1. Review of existing allocations

- a. How often to revisit allocations
- b. How to decide to reallocate or review earlier decisions
- c. Allocation issues should be reviewed regularly. If this isn't being done, you're not doing your job
- d. Reallocation with individual species, FMPs  
Need to have reallocation discussions; "Haves" don't want discussion and "have nots" do want it
- e. Any fishery that does a permanent allocation needs to be changed [concerned about perception of permanence of allocations]
- f. Need modification [provisions] built into plans; consider sunset provisions
- g. Much economic value with reallocation
- h. Consider shifting allocation in fisheries with multiple gear types to maximize economic return [from a fishery]
- i. Not supportive of redistribution of allocation
  - i. Market will take care after initial allocation
  - ii. MSA doesn't allow reallocation
- j. How to change allocations already in place
- k. Ways of making adjustments to current allocations
- l. New entrant access [to fisheries] without huge investment [for permit or quota]
- m. Permanence of allocation
- n. Every mixed sector fishery should be reviewed every five years
- o. On catch shares
  - i. Not permanent
  - ii. Need specific reallocation clauses in catch share systems
- p. Address individual allocations if you're changing the allocation system

#### 2. NFMS / Council process responses

- a. The biggest concern is that the Councils are rusted shut; they ostensibly revisit allocations but don't really consider re-examination
- b. How to integrate allocation issues between / among Councils
- c. NMFS has to let go of the tendency for a "one size fits all" approach

#### 3. Allocation process responses

- a. Better range of alternatives on how to allocate (8)
  - i. e.g. historical catch as compared to recreational economic value
  - ii. look at future trends, conditions
- b. Intersector allocations

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- c. Need for trailing amendments to fix problems
  - d. Allocations between groups within the commercial and recreational sectors
    - i. e.g. for hire and private recreational
    - ii. fixed gear, mobile gear
  - e. how to get more categories into allocation system
  - f. Fisheries under catch share programs that don't have catch share constraints on all part of the fishery, e.g. recreational catch, have the potential for unconstrained components to get out of hand
  - g. Both commercial and recreational portions of a fishery need to be constrained in quota limited fisheries
  - h. Reallocation of unused quota within season
  - i. Open access fishing vs. limited access within an FMP
  - j. Allocation discussions will be slowed by ecosystem based fishery management discussions, implementation
  - k. Create a system that allows markets to drive allocations
    - i. Take away the system that we're currently using
    - ii. Build in thresholds, minimum or maximum percentages (to constrain as needed, e.g. accumulation limits)
- 4. Crew shares Responses**
- a. Crew share inclusion in allocation program
  - b. Crew share
- 5. Accumulation cap Responses**
- a. Excessive shares / consolidation at owner / vessel level (4)
  - b. Share caps
- 6. Community Responses**
- a. Attention to community impacts of allocation decisions
  - b. How to address small boat and community issues [in allocation discussions]
  - c. Allocation at community level
  - d. How to keep communities sustainable [when implementing allocation systems] (2)
  - e. How to anchor some share of allocations in communities
  - f. Community maintenance / survival; no ways for communities to compete in process
  - g. Direct attention to value of maintaining coastal communities
  - h. Need recognition of jobs, communities, recreational access and consumption
  - i. Pay attention to communities and small boats; efficiency not good for the environment
  - j. Need to look at community at local, state, and national level
- 7. New Entrant Responses**
- a. How to address disenfranchised stakeholders, e.g. permit holders without landings
  - b. How to address new entrants [in allocation systems]
  - c. With ACL increases, need to figure out ways for opportunities for
    - i. New entrants
    - ii. Re-entrants
  - d. Opportunities for
    - i. New entrants

## **Fisheries Allocation Project Report**

- ii. Small scale fishermen when allocation is based on history
- e. How to increase access to fishery in allocation systems
- f. New entrants must be addressed in this privatization process
- g. ability to own and lease quota without being active in the fishery
- h. lack of entry level opportunities

### **8. Fleet diversity, vision responses**

- a. Lack of vision on desired future outcomes [hinders comprehensive solutions in allocation systems]
- b. What do you want fisheries to look like in the future?
- c. [Managers] should shape fisheries based on a vision of the future

### **9. Regional, geographic responses**

- a. Allocations that benefit one part of a region more than others
- b. Trying to allocation by state or region equitably given differences in seasonal availability
- c. Geographic / seasonal disadvantages of allocation systems, indirect impacts of allocation decisions
- d. Impacts of latitudinal distribution of allocation decisions, access to fishery in different states

### **10. Interfishery responses**

- a. Need to start looking at allocation impacts between / among fisheries, e.g. bycatch impacts, bycatch allocations to keep people under ACL's
- b. Cross fishery allocation issues; cumulatively how do we allow people to make a day's pay
- c. FMPs colliding because of no common currency [among plans on allocation systems]
- d. Allocation systems causing increased pressure on other fisheries

### **11. Ecosystem, Ecological Responses**

- a. Bycatch species in fisheries with allocation
- b. Bycatch limits, prohibited species caps
- c. Endangered Species Act allocations, i.e. allocations for endangered species
- d. Need a hard allocation for ecosystem allocation

### **12. Changing conditions responses**

- a. Allocation decisions in terms of changing ocean, climate conditions
- b. Conditions change and the management system needs to adjust to manage for the greatest benefit to the Nation. It doesn't make sense to allocate based on history and expect the fishery to stay the same as it was before
  - i. Human demographics
  - ii. Ecosystem
  - iii. Climate change
- c. Changes in perspectives over time

## **Fisheries Allocation Project Report**

### **13. Recreational / Commercial Responses**

- a. Coming to grips with a vision of balance of recreational and commercial interests
- b. Need a national policy to reallocate between commercial and recreational sectors
- c. Open access in recreational fisheries; growth without limits
- d. Static allocations not good for recreational sector
- e. Components of recreational fishery that don't want to pay attention to total allowable catch; we must count all fish
- f. Independent (private?) anglers right to fish as constrained by management under catch share programs
- g. Recreational fishery allocations under catch share programs
- h. Portions of recreational fishery that don't pay attention to total catch
- i. Predominance of recreational interests in South Atlantic; need to address their issues
- j. Consider potential for intra-recreational split, i.e. Separation of party/charter from private recreational
- k. The impact of the shift from MRFSS to MRIP shift on allocations
- l. Recreational sector continues to call for new allocations using recreational economics as an argument
- m. Recreational fishery issues outside recreational / commercial split, e.g. controlling fishery within ACLs
- n. Insufficient restrictions on recreational fisheries in ACL / quota managed fisheries
- o. Many recreational species do not look like they're appropriately allocated, needs a hard look
- p. Allocation must be done hand in hand with recreational fisheries

### **14. International Allocation Issues**

- a. International allocations between the US and Canada
- b. Competing in world markets
- c. The impacts of domestic allocation decisions in the context of international fishery agreements (2)

### **15. MSA, National Standard issues**

- a. Need longer rebuilding timeframes to allow economic survival
- b. MSA doesn't allow reallocation
- c. Reexamine National Standard 4 because I don't think that we are giving fair and equitable more than lip service
- d. MSA needs to be changed to better address allocation issues

### **16. State Issues**

- a. Pressure among states
- b. Inconsistent state management decisions

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### 17. Data / science issues

- a. Poor economic data [from which to make allocation decisions]
- b. data to objectively optimize allocations
- c. Accuracy of data based on landings
- d. Lack of effort data in recreational fisheries [hinders allocation discussions]
- e. Lack of data [hinders allocation discussions]
- f. Poor biological data on many species [hinders allocation discussions]
- g. Legitimate economic valuation studies [needed for better allocation discussions and decisions]
- h. Need agreed upon data base on landings
- i. Data confidentiality – good for statistics but ties hands of analysts and managers understanding of catch share allocation results and impacts
- j. [Better} data needed for allocation
- k. Validation of log books
- l. Get better science to determine the real status of the stocks before allocating
- m. Data poor management [hinders allocation discussions]

### 18. Regional / Fishery Specific Issues

- a. Allocation formula in Amendment 16 (Northeast Multispecies FMP)
- b. Emerging pelagic fishery (WPAC) subject to RMFO limits
- c. WPAC – allocation of bottom fish, need handle on recreational catch
- d. Commitment to move forward on allocation issues, e.g. scup and summer flounder
- e. Halibut bycatch in sablefish fishery
- f. Advent of limited entry in West Coast groundfish fishery
- g. Allocation between common pool and sectors (NEFMC, groundfish)
- h. Trawl IQ allocation; big players could invest in councils, regulatory process to their advantage
- i. New England groundfish allocations need to be revisited, didn't understand all impacts
- j. PFMC Trawl IQ – amount allocated to trawlers was too high
- k. Regional impacts of quota, allocations, e.g. north / south split on tuna
- l. Mid-Atlantic states have favored for hire fishery over private rec.
- m. West coast overfished species with low TAC – how to manage Bycatch
- n. crew in crab rationalization program (Alaska)
- o. Dominance of CCA in South and Gulf is unbalances [allocation discussions]
- p. MAFMC – mention of specific species issues, e.g. black sea bass, mackerel, scup
- q. Manner in which NMFS approaches international salmon treaty
  - i. Underlying tendency to allow tensions between user groups
- r. Need to manage for flexibility
- s. SAFMC – black sea bass management under ACLs, AMs
- t. GMFMC – red snapper commercial / recreational allocation

### 19. Tribal Issues

- a. Treaty / Non-treaty allocation – nothing ever stays the same
- b. Allocation issues between tribes, normally negotiated
- c. Pressure to increase non-tribal allocations which subsequently impacts tribal fishing
- d. Full use of surplus fish in rivers
- e. Council actions impact tribal / nontribal balance, e.g. Alaska catch of Columbia River salmon

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### 20. HMS

- a. Haven't addressed allocation in sharks
- b. Commercial shark quota – conflict between state and federal management actions – Louisiana didn't close state waters
- c. HMS – allow catch up to quota
- d. HMS
  - i. Monitoring sufficient to keep within limits
  - ii. Incidental commercial catch

### 21. General Comments

- a. No [allocation issues] need to be addressed
- b. With nascent catch share policies, reallocation destabilizes fisheries
- c. Look at how the management system has constrained history of what people could catch (indirect allocative effects)
- d. Need to better frame the public debate about allocation policy issues
- e. How to frame judgment calls [in allocation decisions] in a way that does not appear arbitrary and capricious
- f. How to figure out what the best use of fishery resources is
- g. Decisions based on judgment are very difficult
- h. Allocation is critical to socio-economic objectives
- i. Increases can't all go to current participants
- j. What types of allocation are fair? (2)
- k. How to set up an allocation system, e.g. ITQ; nobody will say "this is how it's done"
- l. Determining people's perspectives on what is fair and equitable
- m. Impacts of management measures on history causing a big indirect allocative effect
- n. Don't treat allocation issues willy-nilly
- o. How to address past fishing performance
- p. There's too many ad hoc policy and management approaches [in allocation discussions]
- q. Need central guidance and policy on how to proceed [with allocation]
- r. Diminish political leveraging
- s. Criteria and process to be used in allocation issues
- t. Improvement of stakeholder engagement process
- u. Improve transparency of [management] process [to assist with allocation discussions]
- v. Make sure that the system is flexible enough to change
- w. Much emphasis of allocation on economics, need better emphasis on social components
- x. People always want more fish
- y. Allocations pit people against each other
- z. Quota systems all have allocative components
- aa. What sectors need to be involved in allocations
- bb. Councils have structured tensions that are frustrating
- cc. Need to re-adjust catch histories because of impacts of past regulations
- dd. Inshore / offshore separation zones
- ee. Allocation between gear types
- ff. Set goals to improve conservation, socioeconomics
- gg. Initial allocations – who is eligible to receive allocation
- hh. Trading rules
- ii. Length of tenure
- jj. Forces need to create history

## Fisheries Allocation Project Report

- i. Don't see a need to allocate
  - ii. So many other challenges
- kk. Applicability of allocation to small scale fisheries
- ll. Balance of equity / stability in ITQ systems
- mm. Need less discussion of allocation to provide for business planning stability
- nn. Greed; the perception that people say "my allocation is more important than yours" is impacting the management system
- oo. Using projections will be controversial
- pp. Don't allow harvest until recovery, NMFS should have a policy so that councils don't vote on issue
- qq. Spatial planning and allocation – everybody needs to give a little bit
- rr. Public interest [is being lost with catch share and allocation implementation. The result is that] you can't say that we're not prioritizing
  - i. Huge failure of public policy as it's been carried out
  - ii. Balance with business stability
- ss. [The management] focus on conservation [rather than] not allocation
- tt. Haven't done a good job of ecosystems & conservation, not allocation
- uu. Get at waste [in fisheries] first; [then address allocation]
- vv. Use marketable fish
- ww. Need more emphasis on social and economic components of allocation
- xx. Effects of multispecies management
- yy. Complex but better than piecemeal
- zz. Subsistence / personal use and subsistence fisheries need to be accounted for in allocation systems

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### APPENDIX 4: RESPONSES TO QUESTION 3

*QUESTION 3 – DO STOCK SIZE / ACL INCREASES PROVIDE AN OPPORTUNITY TO ADDRESS LONG STANDING ALLOCATION ISSUES? IF SO, WHAT ARE THESE OPPORTUNITIES AND HOW SHOULD THIS BE DONE?*

Note - numbers in parentheses after a response indicate the number of similar responses. Responses without parentheses indicate unique responses.

Note – text in brackets, [], added to assist in understanding responses

#### 1. Yes (44)

- a. to allow fairness, issues missed in initial allocations
  - i. Opportunity for change
  - ii. Use to reduce scientific uncertainty through research allocation
  - iii. Redistribution of quota with significant increases in ACL
- b. More fish and less pressure among groups to fight makes it easier to shift fish without loss of catch (3)
- c. Use for small operators, new entrants
- d. Best way to initiate [change] in people's minds
- e. Am frustrated that we can't do this
- f. C can use to look at all allocations
  - i. e.g. spiny dogfish and southern states
  - ii. put in provision for 3 year review
- g. The concept lessens the pain of allocation shifts
- h. Makes allocation discussions easier
- i. Yes, gets people excited about the possibility, probably isn't the driving force in allocation discussions
- j. Stock size increases allows consideration of other allocations / policy discussions, provide councils with an incentive to look at allocation
- k. Increasing ACLs provide the best way to affect change in allocations without cutting the catch of current participants
- l. Probably, additional ACL could be allocated to achieve some social goals
- m. Would allow addressing some opportunities but will not provide everything
- n. Allows allocation to new participants, historical participants
- o. Portion of increase to other than current participants
- p. Take long term look; need to change
- q. Use rebuilt stocks to address new ACE to be used differently for inequities
- r. New fish provides opportunity to reallocate
- s. Counters perception of permanence
- t. ACL increases raise the allocation issue, make it easier to discuss
- u. Species with small allocations, increases can apply to these
- v. ACL increases allow the opportunity to review past decisions on allocation (2)
- w. Increased stock size could be used to reallocate
- x. If [discussions don't occur] when stocks are up, it will never happen
- y. Can we carve out allocation for communities, new entrants, crew
- z.
- aa. As stocks recover, easier to get into allocation process; results in less losers
- bb. On glaring issues with defining and refining allocation process
- cc. Provides an opportunity to allocate to broader group



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- dd. Yes, if nothing is done, fisheries will lose allocation by attrition, indirect allocative impacts
- ee. Reasonable to assume it's worth trying
- ff. Yes, gives chance to look at allocation
  - i. Shares move more freely
  - ii. Addresses issue of permanence
  - iii. Award to all players
  - iv. Use some of increase for market based approaches
- gg. Would allow for adaptive management
  - i. Communities
  - ii. Small boats
- hh. Yes, means of addressing small boat issue
- ii. To take advantage of shifting economic benefits
- jj. Could use to change from historical share
- kk. Need to consider reallocation as more people shift to the coast and want access to fish resources
- ll. There is an opportunity because allocation doesn't have to remain a fixed percentage forever
  - i. Yes, because you'll reach a diminishing return for new additions with higher stock levels
- mm. We need more flexibility in how we think about allocation
- nn. Yes, we need a more comprehensive way of looking at socioeconomics and judgment calls
- oo. Provide new opportunities; apply to those who've taken the biggest hits
- pp. Use a small percentage of the increase for different purposes
- qq. [Provides] a tremendous potential opportunity
- rr. ACL increases should be used to address the shortcomings of the system
  - i. New entrants
  - ii. communities
- ss. Yes, if allocation is an issue
- tt. Yes, it would make changes in allocation easier, e.g. reallocation, new entrants
- uu. Allocation review should be part of every FMP review

### 2. No (12)

- a. No, not linked to allocation
- b. Not a stand-alone issue
- c. [This idea] won't work with ITQ systems (3)
- d. Allocation to communities is social engineering as compared to fisheries management
- e. Reluctant to use because the arguments [about allocation] are already done
- f. Problematic basis for reallocation; stock growth should reward those who have made sacrifices
- g. Don't use stock size to fix political problems
- h. Allocation percentages don't change
- i. Don't think that additional fish will help with allocation issues (2)
- j. No, allocate once then let the fishery economic system take care of it
- k. No set asides, e.g. community, new entrants, needed in allocation systems
- l. My gut feeling is that allocation issues aren't significantly impacted by stock size
  - i. It's a fight regardless of stock expansion or contraction

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### 3. Possibly or don't know

- a. Not sure
- b. Case by case issue
- c. Possibility, overcome problems with economic data
- d. Mixed feeling about question
- e. Depends on whether the underlying allocation is fair
- f. Potentially, could be as divisive as original allocation discussion and consideration
- g. Maybe, depends on what happens in fishery in the mean time, fisheries coming back do provide an opportunity
- h. Possibly, a place for discussions
- i. It depends on the allocation issue

### 4. Process responses

- a. There should be an a priori rule that allocations go to permit holders
- b. Catch shares programs should explicitly discuss how to handle increases and decreases

### 5. Regional or fishery specific responses

- a. East Coast issue
- b. Not applicable to Western Pacific
- c. More of an East Coast issue but it's easier to allocate with more fish

### 6. General comments

- a. If it's okay on increase, what to do with decreasing stock size?
  - i. Last in / first out?
  - ii. All in / decrease proportionally?
- b. Reward the fisheries components that have borne the brunt of rebuilding
- c. Look at catch, not just landings
  - i. Don't reward poor performance on bycatch
- d. May promote decision to arbitrarily reallocate
- e. One side or the other looks for rationale for greater share of allocation
- f. Regularly scheduled reviews are the best opportunity for progress
- g. Need good catch numbers before applying this idea (2)
- h. There is no a priori rule that allocations go all to permit holders (2)
- i. Many councils have set percentages based on history; think that this is fair
- j. If we can hold the line on reasoned allocations and management measures, the public will benefit
- k. Increased ACLs doesn't necessarily change the fight
  - i. Concerned about guidelines changing with stock assessment
  - ii. Increased quotas could provide some flexibility
- l. Depends on size of ACL increase; if large enough it would make the discussion easier
- m. Don't want to wear people out [with allocation discussions] to the point that they give up
- n. Shouldn't reallocate in near term, allow some time for allocation system to stabilize
- o. Potentially, worried about this concept because quotas are used as collateral on bank loans [and the discussion could have significant business implications]
- p. Depends on what side of the allocation fence that you're on
- q. Recreational interests want allocation, wouldn't agree to this concept
- r. As stocks increase, people who've sacrificed should benefit

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- i. New participants shouldn't reap benefits
- s. Consider temporary transfers of unused quota
- t. Haven't taken opportunity to discuss this idea; it's too early in the quota management process to change
- u. Too narrow an approach, examination of allocation should be broader than this
- v. Use to put part of increase in pool, bid out to allow market to dictate outcome
- w. Operate fishery under market conditions
- x. Depends on whether the underlying allocation is fair
- y. If the allocation is based on a percentage, this could be a problem
- z. May help marginally but allocation is still very difficult
- aa. Question how it could be done with the current council structure and membership
- bb. Mixed feelings, significant increases give the flexibility to address allocation issues but very tough to do – hasn't worked in summer flounder
- cc. How would you do it fairly and equitably?
- dd. This idea should be promoted but will it happen?
- ee. More fish doesn't solve problems without wise management
- ff. Need a proper process for allocation. Don't do if the process isn't ironed out.
  - i. Need to decide on goal first
  - ii. With goal in place, stock growth would be a way to get it done
- gg. The question is at what point can initial allocations be changed
- hh. This is an easier concept with single species fisheries as compared with multispecies fisheries
- ii. You could but haven't seen it happen
- jj. We have allowed people to legitimize the expectation of last allocations [i.e. permanence]
- kk. The recreational / commercial issue has been addressed piecemeal
- ll. Could be done but would be tough
- mm. Parties with bigger allocations don't want to give something up
- nn. Possible but not easy, may be constrained by limiting species in groundfish complex, i.e. choke stocks

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### APPENDIX 5: RESPONSES TO QUESTION 4

*QUESTION 4 – DO THE COMINATION OF HARD CATCH LIMITS, THE NATIONAL CATCH SHARE POLICY, AND STOCK GROWTH CHANGE THE STATUS QUO SUFFICIENTLY TO ALLOW OR REQUIRE A REEXAMINATION OF ALLOCATION POLICY AND ALLOCATION DECISIONS IN YOUR REGION OR AREA OF EXPERTISE?*

Note - numbers in parentheses after a response indicate the number of similar responses. Responses without parentheses indicate unique responses.

Note – text in brackets, [], added to assist in understanding responses

#### 1. A review should be considered (39)

- a. These changes make it easier to have discussion [on broad allocation policy]
- b. Heightening interest by recreational stakeholders [supports a re-examination of allocation policies]
- c. Yes, the current system allows a small group of people to believe that they have a permanent windfall
- d. Look at MSA to see what's important to consider with respect to catch shares, allocation [as part of allocation]
- e. The goals haven't changed but the tools have
- f. A good idea including how management and science has affected allocations
- g. Yes, with respect to some resources
- h. Don't know about big picture look but the move toward catch shares will force some allocation discussions
- i. Embrace the arguments and move ahead
- j. A big picture look is required because of changing circumstances [in fisheries and the environment]
- k. Policies need to be reexamined, more guidance is needed [on allocation]
- l. There is good justification for taking a closer look
- m. Need to be able to react to changes more quickly
- n. To recognize that this is an ongoing process with change over time, Unintended consequences, e.g. consolidation, new entrants, communities, and privileges vs. rights
- o. National Standard 4 (fair and equitable) and management seem to be in conflict
- p. Are catch shares getting at overcapitalization? Small boats are losing out, is this fair and equitable?
- q. Need to look at allocation because of sum total of changes but not hard catch limits
- r. Yes, who are we granting the resource to?
  - i. Fair and equitable?
  - ii. How do we protect communities?
  - iii. How do we get the most value from the fishery?
- s. industry is changing, [management should] respond to demographic changes
- t. Immediate need to know –
  - i. Who's catching what?
  - ii. Minimize Bycatch
  - iii. Control fishing
- u. To look at what's coming in the future
- v. How big a fishery, e.g. commercial and recreational, do you want to have
- w. Specific to the NOAA Catch Share Policy

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- x. Many changes suggest that a big picture look should be done but I don't have any specific recommendations
- y. Long term changes, e.g. growth in recreational fishing, need to be factored in over time
- z. Should be willing to take relook at issues related to the big picture
- aa. Yes, because organized constituencies are knowledgeable and engaged after ACLs, AMs, and 20 years of allocation
- bb. Without question
- cc. Need a vision of the future condition of the fishery to plan how we will get there
- dd. If the fishery management environment has changed, this would promote an opportunity to re-examine
- ee. Don't want to lose opportunity
- ff. There hasn't been a big picture look; it's necessary (3)
- gg. Determine how management / allocation will be effective years down the road
- hh. Must bear in mind how we got to where we are, particularly with respect to default allocations
- ii. Would like to see some rethinking of national policies as a new project as opposed to assuming that it isn't broken
- jj. Need to re-examine allocation policy issues, NOAA Catch Share Policy represents the status quo
- kk. Need big picture look and a moratorium on catch shares
- ll. Yes, to address small boat, recreational issues, how to change allocations
- mm. It's a national issue that needs addressing regionally
- nn. Public policy dictates taking a tough look, not satisfied with where we're going
- oo. It must be done now; it didn't matter before imposition of hard catch limits
- pp. Should do a big picture charge because of the reluctance to do it fishery by fishery
- qq. Catch shares feels like ownership, people perceptually believe it, a review is needed
- rr. Changes in population, seafood demand, recreational fishing demand we take a look
- ss. Current [political] trends don't allow type of review to occur which is unfortunate
- tt. Iterative approach would be a series of band aids
- uu. This is a foundational issue; national allocation policies should be reviewed
  - i. Change over time
  - ii. New things are hard to accept
  - iii. There is no status quo in the context of fisheries
- vv. There are many assumptions that have been made that merit review
  - i. Indirect allocative effects of regulations
  - ii. Assumption of allocation as quota
- ww. Include what has worked, not worked in past; ideas and histories from other regions
- xx. National review of optimal guidance; if not mandatory it will be
- yy. We should continually look at programs to determine if we've gone the right way
  - i. Review validity of safeguards
  - ii. There are many little problems, the sum total suggests a re-look
- eee. Emphasize the best use of the resource, use social scientists more

### 2. A review should not be considered (29)

- a. Each council / region is different, don't use "one size fits all" approach (4)
  - i. Leery of broad national policies
- b. Don't think that there's a need for a big picture look
- c. Don't review issues, e.g. National Catch Shares Policy, too soon after putting them in place

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- d. A national look is worrisome because of a “over broad” scale application, i.e. not enough regional focus
- e. Not enough time into allocation / catch share policies to make changes; there hasn’t been a lessons learned analysis yet
- f. Need iterative adjustments as compared to big changes
- g. Don’t take on nationally, this would likely screw it up!
- h. Councils are competent to make good, regionally oriented decisions
- i. Give enough guidance, let the Councils do the rest
- j. There’s not enough new issues to justify [a big picture review], use iterative changes
- k. Need iterative changes, have a thoughtful middle ground with NOAA Catch Share Policy and regional adaptation
- l. Concerned that national policy will be driven by big, one size fits all approach
  - i. States, fishermen will lose out
- m. Don’t need further development of national policy, current policies currently afford enough flexibility
- n. Favor iterative approach, national look won’t help
- o. We have the framework to address what is needed
- p. Leery that government wants to do more because of the opportunity for the effort to be misguided is too great
- q. Pandora’s Box quality to issue; examination at national scale would have a very small chance of gain
- r. Don’t see the need to take a national look
- s. Reauthorization of MSA would allow a big picture look at allocation

### 3. Process responses

- a. What is the set of national policies to trigger a change?
- b. Don’t review issues in too short a timeframe after implementing
- c. Can do theoretically but it’s difficult to see what would trigger the review process
- d. Need a vision before making policy changes
- e. There have been many changes, need to determine what is the goal of national policy

### 4. Region or fishery specific responses

- a. Pacific/ North Pacific issue – no, things with halibut are working alright
- b. New England groundfish – Not a LAPP, don’t need a review every 5 years as required in MSA
- c. HMS – constantly going back to look at allocation

### 5. General comments

- i. Allocation discussions should be based on broader basis; social, economic information is the most critical thing to consider
- b. Recreational Summit confounded this issue
- c. Need a national allocation policy if events justify a “big picture” look
- d. Goals haven’t changed but management tools have
- e. Is there a national allocation policy?
- f. Do events justify elaborating a national policy? If so, what principles are needed for the discussion?
- g. Can be done theoretically
- h. Hard to see what would trigger the review process

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- i. There's probably not enough attention because nobody is squawking about the issue
- j. It is encouraging that NOAA is going ahead with the NOAA Catch Share Policy and hard catch limits
- k. Council reform [is needed to make big picture policy changes]
- l. Each region needs to drill down to judge the appropriateness of their past decisions
- m. There has been progress; keep going with rebuilding
- n. Use marine protected areas to help
- o. Don't use one size fits all
- p. [A big picture look should be done by Congress; allocation policies are addressed by the Congress except for grazing & fisheries –
- q. The NOAA Catch Share Policy has been put in place in the forefront with likely irreversible, profound impacts
- r. Unless the Councils figure out how to allocate fairly, look to NMFS and Congress for direction
- s. Look at all sectors before putting catch share system into place
- t. Need to address regional implementation problems
- u. With respect to NOAA Catch Share Policy, industry has to pay because of catch shares
  - i. Abrogation of responsibility
  - ii. After the fact allocation
- v. Older allocation issues, e.g. recreational / commercial quotas, were established under different circumstances
- w. In the real world, it is unlikely that the fortitude exists to address comprehensively or to follow through
- x. More of a regional issue
- y. Need to work on fair and equitable in National Standard 4
- z. IFQs have increased bycatch
- aa. Hard TACs, not catch shares, is the way to protect the resource

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### APPENDIX 6: RESPONSES TO QUESTION 5

*QUESTION 5 – HOW OFTEN HAVE ALLOCATION ISSUES BEEN REVIEWED IN YOUR REGION OR AREA OF EXPERTISE? IF A REVIEW HAS TAKEN PLACE, DO YOU THINK IT HAS BEEN SUFFICIENT IN TERMS OF TIMING AND COMPLETENESS OF REVIEW?*

Note - numbers in parentheses after a response indicate the number of similar responses. Responses without parentheses indicate unique responses.

Note – text in brackets, [], added to assist in understanding responses

#### 1. Sufficient Reviews (15)

- a. Sufficient in timing, completeness
- b. Incorporated in normal decision making (2)
- c. When adjustments have been made to allocation programs, the review process is satisfactory
- d. Have tried and spent the right amount of time on allocation reviews
- e. Overall okay, mentioned specifics in some fisheries
- f. Review with management changes, e.g. NOAA Catch Share Policy
- g. Generally okay but look at other fisheries before reviewing
- h. In most cases, allocation decisions are reviewed annually
- i. Reviews have happened at council level
  - i. Most allocations haven't changed since they were put in place but reviews have been good
- j. Reviews have been informal but sufficient
  - i. A formal review would be a major undertaking for Councils
- k. There have been many looks at allocation in the past
- l. Have had long, exhaustive reviews, timeliness is good
- m. Yes, periodic reviews are done. Some stakeholders want more frequent reviews, e.g. less than 5 years
- n. Reviews take place every year with spec setting process (3)

#### 2. No reviews (10)

- a. Not yet, allocation systems haven't been in place long enough to warrant review
- b. Generally, reviews have not taken place
- c. No time when allocations are reviewed

#### 3. Inconsistent or insufficient reviews (39)

- a. Reviews have been done on an ad hoc basis with no specific timeline
- b. Reviews have been infrequent, inconsistent (13)
- c. Specification setting process is not usually a review of allocations
- d. Completeness of review
  - i. Hasn't been a review of allocation decisions
  - ii. Discussed but hard to [the discussion] get off the table
  - iii. Frequent discussions but rare changes
  - iv. [Reviews have] never been sufficiently done
  - v. Have had complete reviews
- e. Some review of allocation decisions



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- f. Have looked at specific species allocation but not broadly
- g. Lacking control dates, options [for review]
- h. Mixed review, some reviews have been done well, others done poorly
- i. Reviews have not been done very often
- j. The review framework is adequate in terms of frequency; time and funding constraints don't allow a detailed examination
- k. [Reviews have been done] infrequently
- l. No standard review, it's been a mish mash
- m. Reviews haven't been in depth, they have been cursory; in part because there haven't been many allocations until recently
- n. Reviews are often piecemeal
- o. Reviews have not been done well
  - i. Policy on the fly
  - ii. Have subjected Councils to political pressures
- p. Needs to be more thorough review and evaluation of allocation decisions
- q. Need to address on a timely basis
- r. Haven't really reviewed allocation decisions (2)
- s. Talked about a lot, not reviewed much
- t. No substantive reviews; council doesn't want to address
- u. Need useful reviews with an eye on reallocation
- v. Many allocations haven't been reviewed
- w. Haven't done good reviews
- x. Much discussion but not a full review(2)
- y. Don't take place frequently enough to serve the broader voices in the community
- z. No systematic review
- aa. Not often, have been some examples of sufficient review
- bb. Probably not in terms of critical thinking

### 4. Allocation review suggestions

- a. Guidelines for every 5 years, or fixed review period (4)
- b. Longer is better with review of catch share programs
- c. Need sideboards to review
  - i. Accumulation limits
  - ii. Timing of review is critical
- d. Need a policy on how to review allocations
- e. Make review period 10 years, allocations and management measures need time to work
- f. The Regulatory Flexibility Act should be able to address allocation review if done correctly
  - i. Less burdensome alternatives
  - ii. Hard to tell small from large entity in fisheries
- g. Could be improved with respect for timeliness

### 5. Comments about specific Council or FMP performance

- a. On west coast, PFMC yes, NPFMC no because of different cultures / approaches [within the regions]
- b. NEFMC
  - i. Scallop reviews have worked well
  - ii. Groundfish tougher because of poor socioeconomic data
- c. Not applicable to WPFMC because we haven't had allocations in place

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- d. South Atlantic – have had reviews but timing has been a problem
- e. PFMC – salmon reviews are done annually or biannually
- f. HMS – reviews are sufficient but perhaps too often
- g. SAFMC – had wholesale discussion and allocation committee but it was stopped before getting too far
- h. MAFMC – mostly not in our region
- i. HMS – much review, good frequency
- j. NEFMC - with rush into sectors; wait until we have sector performance reports before reviewing
- k. Scup study in Mid-Atlantics is an attempt to do something different
- l. HMS – reviews with every rulemaking (2)
- m. PFMC – review allocations and they can change, review every two years
- n. GMFMC –allocation issues haven't been reviewed enough
- o. NPFMC – has done reviews every 3-5 years
- p. Tuna - allocation is fair, timely, extensive
- q. NEFMC - Relatively little history of direct allocation but little change except for groundfish
- r. NPFMC – allocations have been reviewed, substantial changes have been made
- s. HMS – has been okay
- t. NPFMC has had thorough reviews but side issues don't come to the surface

### 6. General comments

- a. “Revising baselines too often”, need to let them rest
- b. Driven by last MSA amendments (3)
- c. Increasing pressure to review
- d. Staleness issue is valid but what's the right period for review?
- e. Don't know about frequency of reviews (2)
- f. Councils just starting to look at issue [of allocation review]
- g. Need assessment of socioeconomics to allow adequate review
- h. Multiple attempts [at allocation review] have been thwarted by a small number of people
- i. Reviews have not been done because of full analysis, reasoned decision Rather, they have been driven by personalities and intellectual intimidation
- j. It is difficult to revisit old decisions
- k. Don't think that this is a sufficient reason for NMFS to look at allocation
- l. Reviews only with limited access
  - i. Qualifying years
  - ii. Occasionally some additions, e.g. Category H in monkfish
- m. Haven't had enough time to let policies work before reviewing
- n. Just getting into allocations, MSA called for five year reviews
- o. Concerned about rubber stamping; need in-depth reviews that ask tough questions
- p. At the federal level, [review of allocations is] always a point of discussion
- q. Sometimes NOAA gets too wrapped up on dates / schedules; use common sense [regarding review of allocation]
- r. There is resistance to reviewing allocations
- s. Needs to be an ongoing allocation review and trend monitoring
- t. Don't know [about allocation reviews sufficiently to answer]
- u. To my knowledge, allocation reviews have not been done
- v. Annual spec setting process is not an allocation review
- w. Some reviews [have taken place] but when you have catch shares, discussion is largely among quota holders

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- i. Losers and outsiders not considered
- x. Should have reviews [of allocation]
  - i. How to make reviews fair?
  - ii. Difficult because reviews are done by those who set up the allocation
- y. Reviewing allocations has a chilling effect on the economics of the fishery
- z. Not sure how often [reviews have taken place], completeness [of any review will be] limited by data
- aa. On official review [of allocations]; councils are reluctant to revisit past decisions
- bb. People don't want to discuss too deeply because of investments made, permits bought and sold
- cc. Haven't been explicit review decisions reviews that have occurred are hind casts
- dd. Need review panels as compared to revisiting issue by people who made the decision
- ee. [Allocation] reviews have had too long a time period
- ff. Allocations need to be reviewed; don't know what time period [for review] is best

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### APPENDIX 7: RESPONSES TO QUESTION 6

#### *LIST OF ALLOCATION TYPES MENTIONED BY RESPONDENTS*

- Adaptive Management / Contingency
  - Reserve allocation
  - In season adjustment
  - Unforeseen circumstances
  
- Between/across sectors / user groups
  - Harvesters
  - Processors
  - Crew
  - Communities
  - Cooperatives
  
- Bycatch
  - Nontarget species
  - Prohibited species
  - Small incidental catch
  
- Commercial
  - Sectors
  - Gear type
  
- Economic Development
  - Shore side processors
  - New entrants
  - Communities
  
- Ecosystem / Conservation
  - Forage - allocation reserved for a species value as forage in the ecosystem
  - Protected species - allocation reserved for forage by protected species
  - Precautionary buffer- allocation set aside as a precautionary buffer because of scientific uncertainty or ecosystem changes
  
- For Hire – allocation for party / charter or head boats
  
- Gear types
  
- International
  - US / Canada
  - Treaty managed fisheries
  - Multinational
  
- Non-extractive – allocation set aside for non-use
  
- Personal Use – allocation for personal use by people in a geographic area, e.g. Alaska

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- Recreational
  - Hook and line
  - Dive
- Research – allocation to allow research or to provide funding for research
- Spatial / Geographic
  - Regional (>1 council) – allocations with impacts across Council boundaries
  - Cross Fed/State boundaries – allocations for federal and state water components of a fishery
  - State by state – allocations systems with state by state breakdown of total allocation
  - Across broad area, e.g. Northern and Southern (Pacific or Atlantic) or East and West (Gulf of Mexico) portions of fishery
  - communities, ports, fishing areas, etc
- Subsistence – allocation for subsistence use usually in remote areas, e.g. Alaska
- TALFF (Foreign fishermen in US waters)
- Temporal
  - Season
  - Quarterly
  - Winter / summer
  - Fixed time period
- Tribal
  - Treaty Tribal
  - Non-treaty tribal

Allocations can also be divided by type of action<sup>B</sup>:

- Direct (*deliberate allocation decision*)
- Indirect (*non-deliberate decision that impacts allocations*)
- Formal (*decision from an amendment or fishery management plan*)
- Informal (*flexible or temporary*)
- Prioritized, e.g. primary to tribes, secondary to personal use, remainder to other users

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### APPENDIX 8: RESPONSES TO QUESTION 7

*QUESTION 7 – BASED ON YOUR EXPERIENCE, IS THERE A NEED FOR SOME SORT OF ALLOCATION GUIDANCE FROM NMFS? IF SO, WHAT FORMAT WOULD BE MOST HELPFUL?*

Note - numbers in parentheses after a response indicate the number of similar responses. Responses without parentheses indicate unique responses.

Note – text in brackets, [], added to assist in understanding responses

#### 1. No (23)

- a. [NMFS should] mind their own business
- b. Stay out of allocation; [it is a] very sensitive business
- c. National guidance is not intelligible or useful
- d. National Standard 4 and National Standard 5 (efficiency) is tricky for states
- e. There is enough guidance in place (3)
- f. Don't need anything from NMFS, they have no clue about the real world issues from constituents
- g. NMFS not good at giving guidance, the less that they're involved the better
- h. Keep federal government out of business
- i. Given experience with NMFS guidelines, they are too complicated and convoluted
- j. Beware of one size fits all; councils need flexibility to gain buy-in of measures from outside Council
- k. Step up and give an overview of NMFS successes and failures
- l. Why should I expect guidance when NMFS has messed up sectors and ITQs
- m. National Standards are [currently] sufficient
- n. Don't need guidance beyond National Standards, NOAA Catch Share Policy
- o. Keep discussions at council level
- p. Councils are our real life line; they have a good reputation with fishermen
- q. Haven't found federal guidance very useful
- r. Don't trust NMFS to do allocative guidance
  - i. [The agency] responds to funding [and is subject to] undue influence
  - ii. Allocations should go to communities
- s. Am concerned about decisions being made at political level
- t. The process has been fair and transparent
- u. The federal government has already gone too far with the NOAA Catch Policy
  - i. Attitude of privatize and it's okay
  - ii. Forced on councils with funding and priorities
- v. Leery of big government, NMFS review doesn't help
- w. MSA lays out the issues, options – don't need more
- x. Suspicious of letting NMFS address human issues
- y. Not from NMFS, allocation should be done by an independent team
- z. NMFS will not take guidance from the industry or Congress
- aa. NOAA Catch Share Policy is broad, thorough

#### 2. Guidance would be useful, consider a manual or guide for allocation measures (24)

- a. [Develop a] catch share implementation manual, perhaps a check box approach on various issues to consider
- b. Need more policies that require councils to address specific issues (3)

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- c. Overall umbrella allocation guidance [would be helpful]
- d. Some guidance on legal issues related to consideration of LAPPs
- e. List of criteria on what constitutes a community
- f. Reallocation policy needed
- g. Guidance should be broader than prior participation in the fishery
- h. Guidance to allow allocation based on value [of a particular allocation system] to the nation
- i. Answer question of public 's access to public resource as constrained in catch share fisheries
- j. Consider overt statement to provide incentives to
  - i. Optimize revenues
  - ii. Have fishery pay for greater share of management, science costs
- k. There should be some parameters set around allocation
- l. Reviews of policy never hurt. However, NMFS can get wrapped around the axle resulting in a cumbersome, difficult to use product
- m. NMFS guidance on engaging parties for reallocation when a sector doesn't use its full share
- n. Guidance is always helpful; shouldn't be prescriptive
  - i. Look at other areas
  - ii. Road map
  - iii. Defensibility
- o. Put together a compilation of strategies that have been attempted elsewhere
- p. Specific guidance needed – types of analyses needed for impact assessment
- q. NMFS to be up front about allocation options; how to consider and implement
- r. Have to develop timely, understandable guidelines that incorporate broad, community benefits
- s. How do allocation decisions apply to all the National Standards
  - i. Essential Fish Habitat tie in [to allocation]
  - ii. Timely review
- t. Encouragement to get away from past landings [as basis for allocations]
- u. How to use social, economic considerations without time and funding
- v. Making sure that FMPs have clear articulation of the greatest benefit to the nation, objectives in FMP
- w. Ensuring that allocation is revisited, include trigger for review
  - i. Timeline to revisit all allocations (3)
  - ii. ACL increases
- x. Stock assessments [to use in setting allocations]
- y. New allocation ideas
- z. Could use in general sense, fleshing out ideas in a guideline, checklist format
- aa. Framing principles and a checklist of things to consider
- bb. Am surprised that there aren't guidelines. There should be
- cc. For considering and thinking of all components, e.g. communities, new entrants
- dd. Pay attention to multispecies impacts on different fisheries, i.e. across FMP or fishery impacts
- ee. Management by stovepipe is confounding [the bigger picture]; need guidance to standardize across fisheries
- ff. NMFS can play a useful role in clarifying relevant allocation issues
- gg. Need guidelines that are enforceable; then NMFS is more apt to follow MSA
- hh. Would be a good experience in how NMFS provides guidance
  - i. Must come from bottom up
  - ii. Bycatch, discards

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1. Have allocative impacts, inadequate definition
- ii. Need for some guidance, policy statement beyond National Standard 4
  - i. Detail about what needs to be included on history, etc
- jj. Guidance and directions, not orders
- kk. Don't need federal register guidance, rather help with guidance and principles
  - i. Legal ramifications of do's and don'ts
  - ii. Guidance to councils regarding corrections to imbalances of past allocations
  - iii. How to get a different outcome
- ll. Any guidance would be good
- mm. NMFS has spent much time on overfishing, now concentrating on allocation
  - i. Criteria needed for logical choices
- nn. Set triggers for environmental, relative participation changes to review allocations
- oo. Need a framework and process that is transparent, uses standard methods and triggers, and doesn't hide behind process
  - i. 2 step process
    1. Framework, preliminary discussions
    2. In depth discussions, decisions
- pp. Guidance with
  - i. Design principles
  - ii. Avoid standards, hard guidance
  - iii. Flexibility needed
  - iv. Allow innovation, things not on list now are okay to consider
- qq. NMFS needs allocation guidance
  - i. How to be fair
  - ii. Enfranchised stakeholders will use to "keep their place"
  - iii. Local control, devolution are not the answer
  - iv. Maybe Congress needs to get involved
- rr. Guidance on :
  - i. How to allocate
  - ii. How to use past catch history
  - iii. Geographic segregation of stock assessment info
- ss. How crews share up in IFQs
- tt. Guidance would be useful; don't dictate allocation or steer result
- uu. Standards or principles as guidance
- vv. Lessons learned,, management attempts from different areas
- ww. Retrospective analyses on allocations would be very helpful
  - i. Living documents
  - ii. Running review
    1. Consequences, intended and unintended
- xx. Broad guidance would be useful
- yy. Guidelines for revisiting allocations
- zz. Guidance – series of questions, frequently asked questions
- aaa. Process guidance
  - i. Examples of types of data and reliability
    1. Examples from other regions
  - ii. Relative change (growth, receding) of different sectors
- bbb. Some standard structure for applying allocation
  - i. E.g. off the top percentage for particular issue
  - ii. Review period
- ccc. Guidance is lacking, each Council is left to itself
  - i. Standardized methods



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- 1. Strengthen LAPP language
- ii. Guidance for analytical documents
- ddd. More allocation guidance [is needed]
- eee. Need national allocation guidelines

### 3. Unsure about need for additional guidance

- a. Not convinced that there is a need but may consider
  - i. Allocation to processors and fishermen
  - ii. IFQ in tilefish – operated without guidance
  - iii. Role of fishing associations, coastal communities

### 4. National Standard responses

- a. Need National Standard specifically for allocation, catch shares
- b. National Standard 8 is vague, what is required when allocation issues are considered
- c. Need tweaking of National Standard 4
- d. When agency weighs in, need to justify position through NS guidelines
- e. National Standard 8 is vague – what is required and why?
- f. National Standard 4 and National Standard 5 (efficiency) is tricky for states
- g. National Standard 8 guidance on communities
- h. More specific guidance on National Standards
- i. Analyzing fair and equitable in National Standard 4
- j. National Standards are dismissive of states

### 5. General guidance responses

- a. Don't restrict regions; use regionally tailored approaches (3)
- b. Beware of headquarter centric approaches, East Coast bias
- c. Guidance documents are bland, not very helpful
- d. Specific guidance with mandates, formulae not helpful
- e. Resist tendency for national, one size fits all approach
- f. Information so the public has some idea of what to expect from LAPPs
- g. Guidance needs to be easy to understand, past guidance unclear
- h. Need to ensure that allocation is based on FMP objectives
- i. Keep NMFS neutral, tell people what the law is
- j. Want to know where NMFS stands on the allocation issue, what is their stance?
- k. Councils should be part of the discussion
- l. NMFS guidance causes angst when being considered, then treated as laws
- m. Regions need time to work on allocation issues
- n. Need leadership from NMFS
- o. NMFS needs to do a better job with councils to get more knowledgeable people
- p. Allocation is a fundamental, non-science issue
- q. Guidance should be within the council, should be a workshop or whitepaper run by the CCC
- r. Don't need mandates, use guiding principles
- s. Can't trust NMFS to be concerned about small boats and communities
- t. Provide a forum for regions to learn from each other
- u. Guidance with small "g"
- v. Maintain regional flexibility
- w. Need to recognize unique, regional differences

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- x. Need to do something to get councils moving; without a requirement it won't get done
- y. May be best done in next MSA reauthorization, but if Congress does nothing, NMFS should provide guidance
  - i. Leave non-government organizations out of it, they don't have a stake in the fishery
  - ii. States do a better job
- z. Does NMFS have the capability to do this? Is it a priority?
  - i. Should include analysis of allocation in spatial / economic context
- aa. Don't understand the role of guidance

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### APPENDIX 9: RESPONSES TO QUESTION 8

*QUESTION 8 – IF NO GUIDANCE IS NEEDED, WHAT CAN NMFS DO TO HELP WITH THE ALLOCATION PROCESS IN YOUR REGION OR AREA OF EXPERTISE?*

Note - numbers in parentheses after a response indicate the number of similar responses. Responses without parentheses indicate unique responses.

Note – text in brackets, [], added to assist in understanding responses

#### 1. Data / Research Responses

- a. Socioeconomic data to support allocation decisions (14)
- b. Socio-economic analyses need to be done [before allocating]
- c. Biological data for data poor species needed for basic management and allocation discussions
- d. Need better recreational landings data [for allocation]
- e. More timely data for management
- f. Allocations have to be based on data; often we don't have the expertise to gather biological, socioeconomic information
- g. Socioeconomic, human dimensions research [is critical to allocation discussions and decisions]
- h. Better guidance on priorities to focus data collection and research
- i. More data for data poor species
- j. Sound, representative science as compared to best available data
- k. Provide data summaries
- l. Catch analysis on all stocks, including stock, fisheries, within fisheries, and individual catch histories
- m. Timely stock assessments [needed for allocation and management]
- n. Involve experienced fishermen through cooperative research
- o. Better biological, social science data
- p. Improved data base on catch history
- q. Social science, economic data not very useful because of confidentiality
- r. Provide scientific data needed to allocate well

#### 2. Economic valuation responses

- a. Need additional methods of calculating the value of a fishery
- b. Economic evaluation of fisheries, show winners and losers
- c. Economic value development
- d. Information and advice on methods for
  - i. Economic models for allocation analysis
  - ii. Consumer demand for commercial and recreational fishery
- e. Economic data on recreational fishing to include tackle shops, etc. to get a better idea of the value of the fishery
- f. Guidance on economic analysis
- g. How to use market based approaches

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### 3. Funding Responses

- a. Socioeconomic issues and data
- b. Biological data (some regions)
- c. Council operations so socioeconomic issues can be addressed
- d. Block grant funding to allow allocation work but maintain NMFS neutrality
- e. Provide funding that doesn't take away from other programs
- f. Invest in NMFS and Councils
- g. More resources to gather data on supply chain
- h. Funding to states to allow them to better engage in allocation discussions

### 4. Outreach / Technical Assistance Responses

- a. Catch share education
- b. Technical, outreach support
- c. More outreach [needed on allocation]
- d. Workshops on allocation
- e. Need outreach to explain policies and fishery management to people

### 5. Monitoring / Observer Responses

- a. Electronic logbooks for commercial sector at point of sale
- b. Timely, accurate reporting of recreational catch
- c. Real time monitoring for quota managed species
- d. Need better harvest estimates
- e. Improved observer program
- f. Adjust observer program
  - i. Smaller percentage coverage
  - ii. Economics of program

### 6. NMFS role responses

- a. NMFS should be more involved, play a facilitator, moderator role (6)
  - i. Ask tough questions, make tough comments(2)
  - ii. More timely analysis of options in FMPs to "keep things moving"
  - iii. Provide facilitation to get people in room, chatting about what works and what doesn't work
  - iv.
- b. Guidance or cookbook on how to address allocation, accumulation limits, periodic review (2)
- c. Information on allocation issues across councils
- d. Facilitation, moderation of allocation process
- e. Be supportive of councils
- f. Have NOAA General Counsel, reviewers participate throughout process
- g. [NMFS should] stay out of the way
- h. NMFS should play a support role to the Councils rather than pressing issues
- i. How to consider communities, including a definition
- j. How to capture new markets
- k. Craft allocation programs in proportional not absolute terms
- l. Maybe use referendums to gauge people's acceptance
- m. Play a low profile, make it academic

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- n. Don't push too hard, e.g. NOAA leadership gives appearance of pushing catch shares aggressively
- o. With multiple permit ownership, how to judge impacts of allocations [in terms of accumulation limits]
- p. Councils have struggled with current and past historical participation
- q. Informal process of engaging parties in allocation discussions
- r. Better way to manage expectations
- s. NOAA General Counsel – help on how to better build consensus
- t. NMFS needs to discuss better participatory processes, social scientists can help
- u. Better integration between NMFS and Councils on allocation issues
- v. NMFS has to defy Councils, assert authority
- w. Get over attitude of “winners and losers” and get back to MSA
  - i. Optimum yield
  - ii. Vibrant fishing communities
  - iii. Fair and equitable
- x. NMFS is too overbearing at times, need Council committees on allocation
- y. Try to lay groundwork for discussion with councils before “ripping the band aid” off the issue
- z. Reaffirm National Standard 4 language – what does it really say
- aa. More development of National Standard guidelines
- bb. Helping with communication, NMFS currently dismal with public and industry outreach
- cc. Provide information needed to make decisions, don't pick sides (2)
- dd. Need staff people who are familiar with fish, allocation
- ee. NMFS must be involved in allocation but is slow to get started, need to get ahead of issues and “spin game”
- ff. Enforce current management provisions
- gg. Make sure that the management process is honest
- hh. NMFS should provide assistance to allocation discussions
- ii. Promote message that we need to talk about allocation
- jj. Do a better job of listening and understanding where various groups are coming from
- kk. Become more familiar with various allocation forms
- ll. Cumulative impacts of allocation system
- mm. Lack of transparency in marketplace [is something NMFS should address]
- nn. NMFS needs to be involved in the process in a coordinator role – bring types of allocation schemes around to different councils including history, cataloging of what's been done elsewhere (2)
- oo. Case histories on how allocations have been made
- pp. Promote programs like Fish Watch [to help the public make choices about what fish to buy; will help fishing industry]
- qq. Actively support the information gathering process
- rr. Broad stakeholder workshop
- ss. Bridging gap between ecosystem scientists / scientists making management recommendations
- tt. How to maintain healthy ecosystems with commercial fishing
- uu. Mobilize socio-economic community to give us standard practices
- vv. Need program development for social scientists
- ww. NMFS should stop acting like they're in a client based relationship with industry, councils; the real constituency is the public
- xx. Greater outreach for participants in the Council process

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- yy. NMFS on Endangered Species Act impacts with respect to tribal trust responsibilities and allocation
- zz. Use science better, more private grants, more reviews, more independent research
- aaa. Need active NMFS participation
- bbb. Bring to bear the scientific perspective
  - i. Politics plays too big a role
  - ii. Be careful, don't go too fast
  - iii. Hard to back up and redo
  - iv. Too stupidly cumbersome
  - v. Try not to bend to the lure of quick decisions
- ggg. Listen to Councils more because local people are in a good place to give advice

### 7. State / federal issues

- a. Work out better state fishery rules and responsibilities, variation among Councils
- b. State water fisheries – are they a loophole in allocations?
- c. NMFS needs to be more proactive where stocks straddle state / federal boundaries

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### APPENDIX 10: RESPONSES TO QUESTION 9

*QUESTION 9 – ARE THERE CAUTIONS ABOUT THE ALLOCATION IN YOUR REGION OR AREA OF EXPERTISE THAT WE SHOULD BE AWARE OF?*

Note - numbers in parentheses after a response indicate the number of similar responses. Responses without parentheses indicate unique responses.

Note – text in brackets, [], added to assist in understanding responses

#### 1. Development and structure of allocation system responses

- a. Need vision – look ahead at how the fishery should look in the future (2)
- b. Need to be comprehensive, can't leave out components at outset and expect allocation programs to work
- c. When a transition is made from open access, make decisions, live with it, can't go back to old ways
- d. When you change currency, e.g. days-at-sea to ACE, there will be unforeseen fallout
- e. Migration in quota away from small vessels, communities; coastal communities are withering (3)
- f. Be very clear about criteria and process for allocation
- g. Be mindful of business stability
- h. Councils should be more cautious about feedback loops for reviewing allocations, should be part of upfront allocation decision.
- i. Need more emphasis on distributional issues taking into account economics, community importance, cultural values
- j. With history, chose qualification years carefully
- k. Politics should drive the allocation decisions / fights
- l. Make sure allocations are done correctly and fairly
- m. Consider impacts of management complexity on allocation systems
- n. Look at regional implications; how harvest in one area can impact another area
- o. Allocation and guidance have been too complex and arbitrary
- p. New issues shouldn't be [added to allocation discussions] after the fact
- q. Don't delay working on allocation discussions
- r. Work toward consensus on allocation issues
- s. Need real accumulation limits (3)
- t. Need safeguards for fears before discussions even start
- u. Need guidance framework to protect important issues from the start
- v. Allocation shifts by omission, e.g. halibut
- w. Need to understand the consequences of allocation as much as you can
- x. Use market mechanisms; better than top down approaches
- y. Need credibility to make changes fairly, ask questions fairly
- z. Need to teach the different skills people need in an allocation system
- aa. People don't want to buy in (figuratively) before they know how an allocation proposal will impact them directly
- bb. Don't make it too complex

#### 2. Changes to allocation responses

- a. Need sound basis for making changes to allocations
- b. Tread lightly when proposing changes

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- c. Don't screw up years of work, success to date
- d. Don't force re-addressing of allocation issues where they're working
- e. Don't continually reallocate
- f. Caution about anything that would disrupt long standing allocations
- g. Hard to back up and redo allocations
  - i. Process too stupidly cumbersome
  - ii. Try not to be wed to the lure of quick decisions

### **3. Length of allocation period / permanency responses**

- a. Allocations should not be permanent, need to counter this perception, need periodic reviews (4)
- b. If councils do more with allocation, build in sunset provisions to counter perception of permanence
- c. Issue of permanence needs guidance from General Counsel

### **4. Long term change responses**

- a. Don't ignore changing demographics, growth of recreational industry
- b. Allow allocations to evolve, e.g. changing demographics

### **5. ITQ fishery responses**

- a. Don't force change with allocations in ITQ fisheries; Very disruptive economically; ITQ allocations are "one off" events
- b. With IQ process, hard to maintain balanced viewpoint

### **6. Workload responses**

- a. Periodic allocation reviews will take away from current work plan (3)
- b. Allocation issues can take much time, conflict with statutory deadlines
- c. Pay attention to managing expectations with respect to Council priority setting
- d. Think about time needed to allocate as we become more sophisticated in our allocation approaches
  - i. Time needed, Costs for Monitoring, enforcement

### **7. Enforcement responses**

- a. Beware of paper enforcement [unenforceable management measures], monitoring [time and costs for allocation systems]
- b. NMFS enforcement
- c. Make sure systems are enforceable

### **8. Regional focus responses**

- a. Appreciate regional differences, keep allocation as a regional issue (2)
- b. Headquarters must listen to regions, let Councils do allocation (3)



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### **9. Fishery / Regional diversity responses**

- a. Pay attention to diversity in fisheries
- b. Need to understand history of fishery, local dynamics when engaging in allocation discussions (2)

### **10. Data / Information responses**

- a. Need a better process for Research Set Aside, current system is confusing and unfair
- b. Data can't reach back to accurately report past catch
- c. Need better economic data on value of recreational fishery. A more accurate reflection would add considerably to regional values
- d. Confidentiality masks real impacts to consider allocation reviews, management changes
- e. Need data informed decision making
- f. Use funding for science before concentrating on allocation

### **11. Interjurisdictional responses**

- a. State actions need to be more compatible with federal management
- b. Impacts of state government actions on council / NMFS progress
- c. Work toward improved communication between NMFS, states

### **12. Ecosystem responses**

- a. Risk of over allocating without considering trophic levels, i.e. ecosystem allocation
- b. Impacts of ecosystem based management on allocation, e.g. geographic allocation
- c. Attention to ecosystem resilience

### **13. Recreational / Commercial Cautions**

- a. Increasing pressure to reallocate from recreational sector
  - i. With open access, it has proven very difficult to stay within ACLs
- b. Constrain commercial and recreational side equally
- c. Beware of taking sides on recreational / commercial debates
- d. We aren't tracking allocations to recreational fisheries, needed for quota management
- e. Recognize value of recreational fisheries but don't shut out commercial fisheries
- f. Beware of allocation being used to get rid of commercial fishing
- g. NMFS must make it clear to recreational anglers that they can have a significant impact on resources
- h. Allowing one user group to increase because of past overages doesn't benefit those who follow the rules
- i. Keep in broader context, overall commercial impact and allocation with overall recreational impact and allocation
- j. Beware of the dominance of the commercial sector in allocation

### **14. Council / NMFS issues**

- a. Beware of national, one size fits all approach (4)
- b. Don't seek conformity, uniformity
- c. Don't have NMFS cram things down our throats (2)

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- d. Need more cooperation with Councils
- e. Don't use a "DC centric" approach, i.e. Washington oriented
- f. NOAA ought to back off; damage already done, e.g. NOAA Catch Share Policy
- g. Determine what NMFS role is
- h. NMFS is supposed to be a referee on tough issues
- i. Provide unbiased data and transparent process
- j. Be cautious about how NMFS engages on allocation issues

### **15. People involved in management system**

- a. When dealing with allocations, industry lobbyists and money give an advantage over others
- b. Many people are supportive of catch shares but are reluctant to support because of fear of retribution
- c. Impact of few, vocal, influential people on the political process [must be recognized and addressed]
- d. Be careful with the perception of getting around the rules, e.g. sectors and LAPP requirements (NEFMC issue)
- e. Quota – anybody can own, impacts on fishing communities – restrict to people active in the fishery
- f. Managers only hear from the winners [of past allocation discussions and decisions]
- g. People outside councils don't understand impacts [of allocation decisions]
- h. Council makeup is biased
- i. Have to be very careful that constituents don't feel disenfranchised by the process
- j. There is so much politics around allocation; some groups have the most political pull
- k. Recognize that the discussions are not a level playing field
- l. Processor share makes it worse because of accumulation of power
- m. Current system profits big operators, small operators get squeezed out
- n. How to consider views / needs of people who aren't in positions of influence
- o. Need broader interest; Councils need to realize that they're managing a global or national resource
- p. People will say anything to get more fish

### **16. HMS – difficulties caused by impacts of quota allocation on geographic areas**

- a. North - South in Atlantic
- b. East - West in Gulf of Mexico

### **17. General Comments**

- a. Need to overcome historic antagonism in allocation discussions
- b. Don't get everybody riled up
- c. Don't jump into allocation unless serious because of raised hopes, fears, expectations
- d. Beware of further animosity with fishing community
- e. Do we have to allocate every last fish? Comments of NOAA General Counsel suggests the answer is yes
- f. Beware of issue creep with allocation issues
- g. Be sensitive to allocations because of perception issues
- h. Concerns about monopolies, anti-trust
- i. Beware of backlash by losers
- j. Beware of politics but don't ignore it

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- k. Call a spade a spade, pay attention to allocative impacts of all decisions
- l. Beware of the tendency to hang on to “old ways”
- m. [The management system] must have the allocation debate but it will be a food fight
- n. Be willing to move into the process in a deliberate way, recognize that push back will be enormous
- o. There are no perfect decisions [regarding fisheries allocation]
- p. Cautions – learn from successes and mistakes of past; learn from what you didn’t expect
- q. Be careful; don’t go too fast
- r. Don’t get too specific with guidelines; it will tie the hands of managers
- s. No cautions beyond general angst [about allocation issue]
- t. Tricky issue
  - i. Economic impacts
  - ii. How to weigh based on MSA
  - iii. Problems with interpretation
- u. Beware of
  - i. Firebrands
  - ii. Individuals with agendas
  - iii. Whinnage (sp?) by minority views
  - iv. Public backlash
  - v. Lawsuits
- v. If anything, we’re too cautious [in addressing allocation issues]