Science, Service, Stewardship



NOAA FISHERIES SERVICE



For more information on the Pollock Cooperatives:

http://www.fakr.noaa.gov/sustainable fisheries/afa/afa\_sf.htm Catch Share Spotlight No. 3

# Bering Sea & Aleutian Islands (BSAI) American Fisheries Act (AFA) Pollock Cooperatives

## Vital Stats

<u>First year</u>: 1999 <u>Type of Catch Share Program</u>: Cooperatives <u>Management units</u>: Bering Sea & Aleutian Islands pollock <u>Vessel types</u>: Catcher/Processor (CP), Catcher (CV), Motherships <u>Gear types</u>: Pelagic Trawl

## **Available Trend Data**

Season length: Before Program (1998): ~ 25-52 days (A-season), 49-58 days (B-season) After Program (2008): ~ 50-141 days (A-season), 144 days (B-season) Ex-vessel value: Before Program (1997): ~150 million After Program (2005): \$212 million (worth ~\$174 million in 1997 dollars) Consolidation: Before Program (1998): 100 catcher vessels and 30 catcher-processors. After Program (2005): 90 catcher vessels and 21 catcher processors. Stock status: Before Program (1998): Overfishing: NO; Overfished: NO After Program (2008): Overfishing: NO; Overfished: NO

## Nature of Harvest Privilege

<u>Eligibility</u>: Must meet statutory requirements established under the American Fisheries Act (AFA) that specify minimum landings of pollock and U.S. vessel ownership requirements, and shorebased processors eligible to receive pollock from catcher vessels.

<u>Duration</u>: The program is indefinite. The Council does not have authority to make changes to eligibility and allocation criteria established in the AFA. The Council may recommend measures to improve bycatch management and potential adverse effects of the AFA on other fisheries.

<u>Transferability</u>: Long-term harvester privileges transfer with vessel; annual allocations are not transferable between sectors (inshore, offshore, mothership). <u>Accumulation</u>: No entity (individual, corporation, or entities affiliated with each other above a minimum common ownership or control standard) can harvest more than 17.5%, or process more than 30% of the pollock directed fishery allocation. <u>Initial Allocation</u>: Allocation among sectors: 50% inshore (catcher vessels), 40% offshore (catcher/processors and some limited catcher vessels), and 10% motherships (catcher vessels). Catcher vessels qualified by meeting minimum thresholds in 1996, 1997, or 1998. Catcher/processors were either listed in AFA or met a minimum landing threshold. All motherships are listed in the AFA. Shoreside processors eligible to receive deliveries from the inshore sector met minimum delivery thresholds in 1996 and 1997.

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#### Management

<u>Operation</u>: Inshore catcher vessel cooperatives have formed which receive exclusive harvest privilege permits from NMFS. Inshore cooperatives can only form between catcher vessels and eligible shoreside processors where the vessel delivered a majority of their catch in the previous year. Vessels in shoreside cooperatives are required to deliver 90 percent of their pollock catch to a member processor. Vessels choosing not to join a cooperative could operate in the limited access fishery. The mothership and catcher/processor sectors have formed voluntary cooperatives to manage their allocations and do not receive an exclusive harvest privilege from NMFS.

<u>Identified Costs</u>: 2007 estimated costs are \$0.216 M. There is no cost recovery. <u>Monitoring</u>: A catch accounting system including real-time electronic reporting and observer reporting components is used to monitor allocations.

#### Summary

In the early 1990s excess harvesting and processing capacity increased the costs incurred by harvesting and processing sectors and reduced the quality and value of the product. Contentious allocation disputes between the inshore and offshore sectors contributed to uncertainty within the industry. In 1995, a moratorium on entry of new vessels into the groundfish fishery was implemented, and the North Pacific Fishery Management Council began focusing on additional solutions to the problem of overcapitalization for Alaska pollock and other North Pacific groundfish.

The American Fisheries Act (AFA) was signed into law in October of 1998. The purpose of the AFA was to tighten U.S. ownership standards, and to provide the Bering Sea and Aleutian Islands (BSAI) pollock fleet the opportunity to settle allocation disputes and rationalize the fishery. As a result of the AFA, a system of cooperatives was established that allow for accountability of individual catch, and the coordination of pollock harvesting efforts across space and time.

The BSAI Pollock Cooperatives include ten groups: an offshore catcher vessel cooperative, a catcher-processor cooperative, a mothership cooperative, and seven inshore catcher vessel cooperatives. The formation of these cooperatives allow the processors and catcher vessels that deliver to them to manage among themselves their sector's share of the pollock total allowable catch (TAC) each year. The cooperatives also reach inter-cooperative agreements about bycatch reduction, over-harvest, sideboards, area closures, data management, voluntary salmon and halibut bycatch reduction measures, and compliance with Steller sea lion conservation measures.

Members of the BSAI pollock fishing community have stated that the AFA has allowed them to improve their fishing practices and improve economic efficiency. Reduced bycatch, higher utilization rates, increased economic returns, and improved safety are among the direct benefits of AFA. The pollock catch is also more spatially and temporally distributed than prior to the AFA, which helps to reduce potential competition between the pollock fishery and Stellar sea lions.