

Update:

Development of Amendment 18 to the Multispecies FMP

by Rachel Feeney
Council staff

New England Fishery Management Council
April 23, 2013



A18 Goals

As approved by the NEFMC June 2010.

1. “Maintain **inshore and offshore** fleets;
2. “To the extent possible, maintain a **diverse** groundfish fishery, including different gear types, vessel sizes, geographic locations, and levels of participation;
3. “Maintain a **balance** in the **geographic distribution** of permits to protect fishing communities and the infrastructure they provide; and
4. “**Prohibit** any person or government entity from acquiring or controlling **excessive access** to the resource, through in order to prevent extraction of disproportionate economic rents from other permit holders.”



A18 Objectives

As outlined in the scoping document, approved by the NEFMC September 28, 2011.

1. “To consider the establishment of **accumulation caps** for the groundfish fishery; and
2. “To consider issues associated with **fleet diversity** in the multispecies fishery.”



A18 Timeline Highlights

2010	Jun.	NEFMC approves what became A18 goals.
	Nov.	NEFMC approves 2011 priorities, including preparing an amendment to consider fleet diversity and accumulation cap <u>objectives</u> .
2011	Apr.	NMFS publishes <u>control date</u> for the action.
	Jun.	NEFMC holds <u>workshop</u> on accumulation limits and fleet diversity.
	Dec.	<u>Scoping period</u> opens.
2012	Mar.	Scoping period closes.
	Jun.	NEFMC hears summary of scoping period.

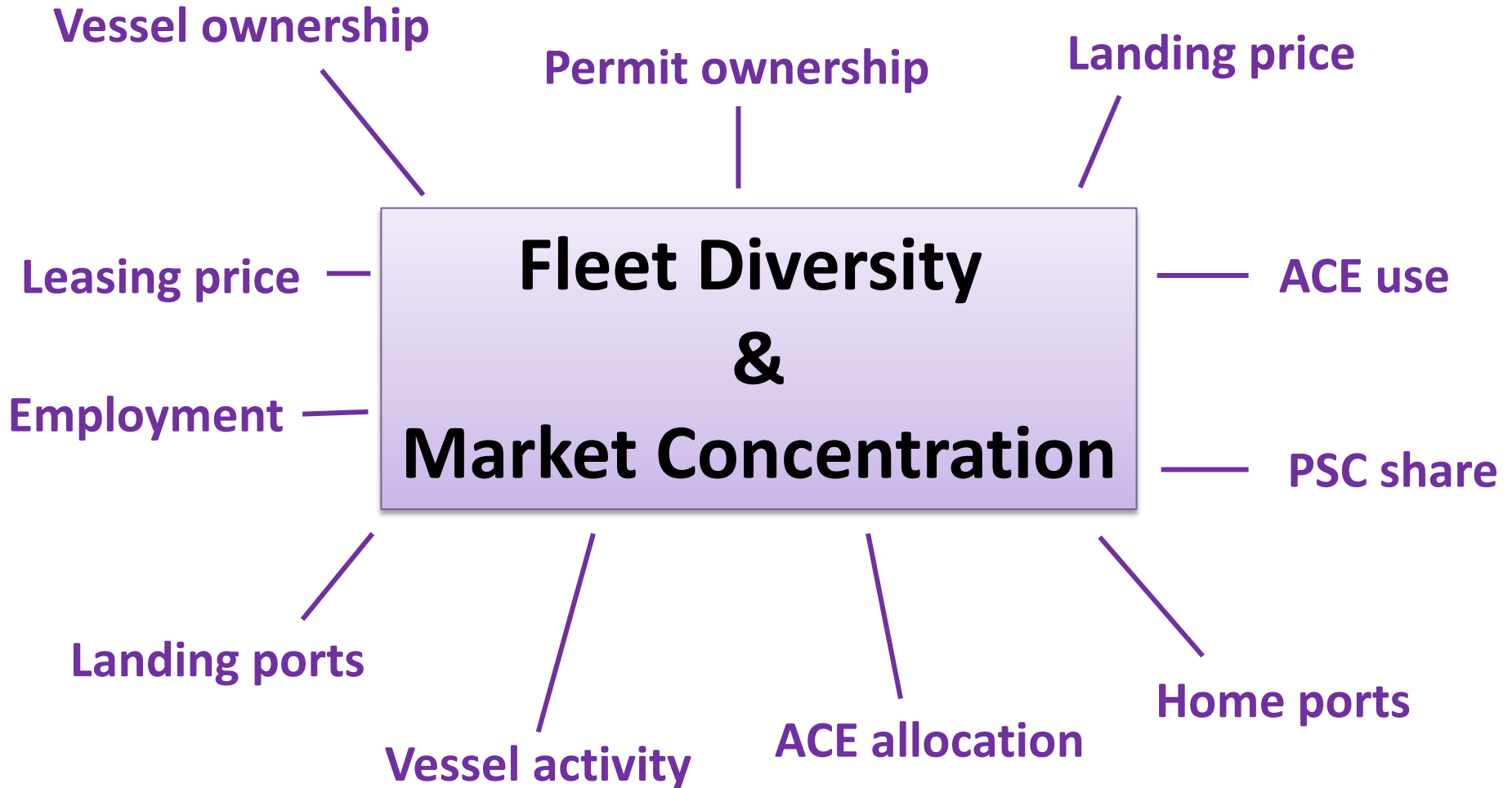


2013	Mar. 6	Joint Groundfish Committee/AP meeting. Develops data analysis “wish list” re.: <ul style="list-style-type: none"> • Fishery performance • Legal considerations • Hypothetical measures
	Mar. 13	PDT conference call to discuss feasibility. Several analyses already underway. Others may be possible in the future.
	Apr. 8	RA letter. Narrow scope to just accumulation limits.
	Apr. 16	Groundfish Committee meeting. PDT reports on wish list feasibility. No motions. Waiting to hear PDT results.
<i>(today)</i>	Apr. 23	NEFMC discussion.
	Jun. 12	Groundfish Committee meeting. PDT reports on analytical work.



A Multi-faceted Analysis

PDT expressed caution in drawing conclusions based on any single factor.



“Wish List”

Has the fishery consolidated in terms of ownership, harvesting, or operations? How?

What are the net revenues in the fishery, accounting for ACE leasing and other transaction costs?

Ongoing Analyses

1994-present

- Permit and vessel ownership
- Diversity of fishermen “species”

FY10-present

- PSC shares by business entities
- ACE shares by sectors
- PSC and ACE shares vs. landings
- ACE leasing costs

Vessel-level profitability

DELIVERABLE: June 2013



“Wish List”

*Has consolidation impacted fishery **employment**? How?*

*How many C permits and **small permits** exist in the fishery? How does **new entrant** opportunity compare across fisheries?*

*Review the performance of **permit banks** to determine if they are fostering fleet diversity.*

Potential Work

Input-output models (county level, wider maritime trades).

Trends in categories of active permits, evidence of vessel sale, entrant opportunities.

Public: Annual reports due June 2011.
Private: Not required to report.



“Wish List”

*Define/describe evidence in current system of the occurrence of "extraction of disproportionate **economic rents** from other permits holders" (see goal #4).*

*Do a **break even analysis** of FY13 with the quota as allocated. How much additional quota would have to be needed to break even?*

*Has there been a tendency towards **pulse fishing** on inshore grounds?*

Potential Work

It may be difficult to conduct this analysis, without more data on the markets for PSC and ACE.

Update of 2011 analysis would require significant resources.

Susceptibility of spawning stock aggregations; catch per unit time.



“Wish List”

What is the threshold where an entity might gain market power in this fishery, including the leasing market?

How do current anti-trust laws address excessive share issues? Would setting price controls on quota leasing violate anti-trust laws?

How can accumulation caps on PSC or ACE be accomplished under current plan and permit rules?

What are the pros/cons of hypothetical measures?

Potential Work

Market power analysis

Anti-trust analysis

What caps are possible

Analysis depends on goals and problem statements.

Recommended Plan

June 12 Groundfish Committee Meeting:

- Presentations of ongoing PDT data analysis.
- Determine whether to narrow the scope of A18.

Other work on or after June 12:

- Reengage the AP.
- Refine goals and objectives.
- Prioritize additional data analysis.
- Discuss proposals submitted by stakeholders.
- Develop measures and EIS.

