

MEMORANDUM

TO: Council, SSC and AP Members  
FROM: Chris Oliver *CO*  
Acting Executive Director  
DATE: November 29, 2000  
SUBJECT: Crab Rationalization

ESTIMATED TIME  
1 HOUR

**ACTION REQUIRED**

Discuss and provide direction as appropriate.

**BACKGROUND**

In October the Council voted to formally establish a Crab Rationalization Committee within the Council process. We solicited nominations in our October newsletter, and expect Chairman Benton to appoint that Committee following this Council meeting, after we have a chance to see what actions may come out of Congress which could affect the scope and direction of that Committee. As you will see under Staff Tasking, I have crab rationalization as a major project in the 'potential new projects' list, anticipating development of some type of rationalization program by the Council. What form that takes, and the timing, may depend on Congressional action relative to the moratorium on IFQs. A Congressionally legislated buyback program, or other actions, could also affect the form and timing of that process.

**Subject: Crab rationalization committee**

**Date:** Tue, 14 Nov 2000 13:56:26 -0800

**From:** "Tom Casey" <tcasey@wolfenet.com>

**To:** <Chris.Oliver@noaa.gov>

**CC:** "Gary Painter" <gpainter@actionnet.net>

Dear Chris and NPFMC members,

We think that it's a bad idea for the NPFMC to disband the current crab coop & itq committee, chaired by Dave Fluharty, in favor of a new, substantially smaller committee, that will be suspect and second-guessed from the get-go. We bent over backwards to accommodate all industry and regional interests in the original committee. No one felt shut-out or over-looked. The new committee will be saturated with political favoritism and hidden agendas. Eventually it will self-destruct and be discredited because a select, hand-full of favorite sons and daughters will make the final decisions on what to recommend to NPFMC and, thereby, to the Congress and NMFS.

It's lousy public policy to replace a functioning, ad hoc working group with a new, politically-suspect elite group when the underlying issue (who'll get how much to fish or process in the BSAI crab fisheries for the rest of eternity) is so contentious and conspiracy-prone.

A smarter way to do the job is to keep all the conflicting interests in one glass house (the existing coop&itq committee) and let them argue out the individual fine-points and assemble a consensus recommendation to the NPFMC of which all stake-holders will have some ownership and responsibility.

I don't expect the NPFMC members to take my advice because the politics of choosing winners and losers in the BSAI crab fisheries are so intense already and the financial outcome will be so valuable to the beneficiaries of the final choices that the new committee makes.

Please keep this in mind though. Unless we all cooperate and devise a mutually acceptable coop-itq system that can be adopted by NPFMC, the Congress and NMFS within 12-months, the entire Bering Sea opilio fleet will miss the 2002 season because, as Bob Otto predicts, the GHL is likely to come in under 25-million pounds after next summer's trawl survey. That will cause ADFG to close the 2002 season because the fleet lacks a credible catch-control system (itq's) to prevent over-shooting the GHL.

At that stage, a high percentage of the crab fleet will go broke and be bought back for dimes on the dollar by AFA crab processors and crab fleet owners. How well will that outcome serve the national interest?

Nonetheless, best of luck with the new crab rationalization committee and, by the way, forget the old, Roman proverb: If it ain't broke, don't fix it.

Sincerely,  
Tom Casey

**FRAMEWORK FOR A CRAB RATIONALIZATION PROGRAM**

**I. ELEMENTS OF PROGRAM:**

1. The NPFMC shall include the following elements in developing and implementing the proposed crab rationalization program:
  - a) It shall complement the buy-back program authorized by Congress.
  - b) Three regions shall be designated: the Pribilof Islands; the Aleutian Islands and Alaska Peninsula; and Kodiak.
  - c) Specific allocation provisions that ensure continued landings (deliveries) within the above designated regions, and which are consistent with recency requirements and historic rates of participation in the fishery, shall be developed.
  - d) Any and all harvester and processor allocation provisions included in the rationalization plan must be consistent with the regional landings (deliveries) requirements.
  - e) The cut-off date for any and all harvester, processor and community/regional history shall be December 31, 1999. The NPFMC October 1998 landing requirement for LLP qualification shall also be applied.
  - f) The NPFMC may consider Individual Transferrable Quotas, Community-based Quotas, the allowance of Cooperatives, Community Landing requirements, or other programs that will result in a rationalized fishery.
  - g) The proposed program shall be consistent with the conservation and sustainability of the biological resources and the ecosystem.

**II. IFQ MORATORIUM EXTENSION:**

The moratorium on IFQ's is extended one year.

**III. TIMING:**

The NPFMC shall, by (07/31/01 or 10/15/01) develop a rationalization proposal for the BS/AI king and tanner crab fisheries and submit their report to Congress and recommendation to the Administration.