

Lessons Learned from New England Groundfish Sectors

1. Define Administration and Monitoring Roles/Responsibilities

- Carefully balance flexibility and responsibility
- Who will monitor/track CFA landings and quota transfers?
- Who will enforce CFA measures (CFA, NMFS, both)?
- Who will review the CFA contract and sustainability plan for consistency with law and FMP?
- Responsible party must have the willingness, capacity and resources to fulfill obligations

2. Ensure Adequate and Effective Representation

- CFA board/leadership body should represent the views of all of its participants
- Proactive and cooperative leadership is critical to successful operations
 - Bycatch reduction (capacity to recommend fishing operation changes)
 - Facilitating quota transfers within/among cooperatives and participants
- Representatives/leaders should have the required expertise to operate the CFA (professional manager may be necessary)
- Decisions should be made in transparent manner

3. Develop Allocation Criteria/Process Carefully

- Facilitate/encourage review of landings information in advance of allocation
- Establish a process to correct landings data before and after initial allocation
- Ensure fair allocation criteria that incorporates factors that may have affected catch rates differently among participants
- Allow industry to review results of allocation alternatives before final decision
- Promote stability by considering multi-year allocations and CFA commitment (annual process requires year 2 to be planned just months into year 1)

4. Clarify Consolidation Limits

- Differentiate between allocation cap and acquisition cap (e.g., an allocation cap can be exceeded through transfers)
- Clearly define ownership scope (individual, partnership, corporation, etc.)
- Consolidation limit should avoid requiring divestiture during initial allocation

5. Collect and Disseminate Real-time Catch Monitoring Data

6. Ensure Accountability

- Develop measures to prevent target species and PSC quota from being exceeded
- Specify how CFA quota and PSC overages/underages will be handled
- Consider “joint and several liability” clauses for participants

7. Enforce CFA Contracts and Sustainability Plans

- Include specific penalty provisions in contract for violating obligations
 - Financial penalties/fines
 - Criteria for temporary or permanent reduction in quotas
 - Explicit criteria and process to expel participants
- Document and communicate changes to CFA measures
 - Contract conditions
 - Cease fishing orders
 - Quota acquisition/transfer

8. Put CFA Operations into Context in Sustainability Plan

- Define how CFA operations affect other catch share regimes and FMPs
 - Potential overages/underages of quota
 - Effort shifts into other fisheries as a result of consolidation
- Determine how membership changes will affect quota distribution (owner/vessel expulsion, vessel sale, change in processor, etc.)
- Differentiate measures between CFA and “common pool”

9. Address Administrative Concerns

- Establish rules for CFA membership
 - Process and criteria for determining membership (everyone in or vote?)
 - Criteria for allowing entry/exit
- Set protocols for quota transfers
 - What criteria will be used and who will approve/disapprove quota trades?
 - Consider if right of first refusal for CFA is needed
- Consider minimum number of participants to ensure adequate quota
- Set realistic deadlines (rosters, monitoring reports, etc.) and adhere to them

10. Integrate Confidentiality Requirements

- Yearly report to Council cannot be distributed due to confidentiality
- PSC bycatch performance may constitute an allocation decision that may allow for an exemption to the MSA confidentiality clause