



C4 Crab Binding Arbitration

June 2025

Action Memo

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Other Presenters: Darrell Brannan (Brannan & Associates)
Action Required: 1. Review Initial Review Draft
2. Consider next steps, potentially identify a preliminary preferred alternative for final action

BACKGROUND

This is an Initial Review Analysis to consider modifying the regulations relative to the Bering Sea Aleutian Islands Crab Rationalization (CR) Program with two action alternatives being considered. These actions are being considered in order to increase transparency, provide flexibility, and reduce program costs and burdens for participants without changing the overall program structure and objectives.

The first action (**Alternative 2**) would adjust the arbitration system regulations in discrete ways. Under this alternative there are four options that may be selected in combination with one another, including:

- Option 1.** Remove the requirement that the arbitrator can only select a remedy proposed by one side. Allow the arbitrator to select an independent or compromise remedy based on the facts provided in the arbitration.
- Option 2.** Allow parties to receive the arbitrator's written report and rationale, as well as a publicly available report providing key rationale (without including confidential information).
- Option 3.** Remove the requirement for a Market Report, and
- Option 4.** Remove the arbitration option for non-performance after a contract has been established to define BSAI crab price, delivery, or other terms.

The second action (**Alternative 3**) would provide definition of if and when Individual Fishing Quota (IFQ) and Individual Processing Quota (IPQ) applications may be withdrawn. This alternative considers allowing applications to be withdrawn within 24 or 48 hours after the BSAI crab total allowable catch (TACs) are announced.

In addition to the analysis, an appendix is posted which provides legal guidance on the arbitration system that was received when the program was first created.

The Council's Pacific Northwest Crab Industry Advisory Committee (PNCIAC) is scheduled to meet May 27, 2025, 12-2pm and will consider this agenda item. Minutes from the PNCIAC meeting will be linked to the agenda when available.