

**ADVISORY PANEL**  
**Motions and Rationale**  
**June 4; 7-9, 2024 - Kodiak, AK**

**D2 BSAI Crab Program Review**

**Motion 1:**

The AP recommends that the Council accept the Bering Sea Crab Rationalization Program review.

*Motion passed: 20/0*

*Rationale in support of Motion 1:*

- *The AP appreciates the effort and work-product provided by the staff and analysts and believes the document is ready for acceptance by the Council.*
- *The AP did not include the SSC recommendations for small improvements to the document because an SSC report was not presented to the AP. The AP notes it would be helpful to receive SSC reports to help inform our discussions and recommendations.*

**Motion 2:**

The AP recommends that the Council initiate a discussion paper further evaluating the arbitration regulations in the Bering Sea crab rationalization program, to determine if changes could create additional transparency and predictability, reduce industry costs, and/or respond to lower crab TACs.

The discussion paper should separately analyze whether regulatory uncertainty exists related to the withdrawal of Individual Processor Quota (IPQ) and Individual Fishing Quota (IFQ) applications prior to the issuance of Processor Quota Share (PQS) and Quota Share (QS).

*Motion passed: 20/0*

*Rationale in support of Motion 2:*

- *The intent of the motion is not to remove the arbitration program or to look at broad changes to the price formula. The goal is to evaluate whether there are changes to the program, including requiring written records of arbitration findings or changes to the 'baseball' style arbitration rules, that could create additional transparency and predictability, and be more adaptive to low TAC years.*
- *The fishery has changed significantly since implementation, both in respects to the number of harvesters and processors, and the availability of resources, and so it is appropriate to re-evaluate this component of the program to see if changes are needed to meet the needs of harvesters, processors, and communities.*
- *Public and staff comment noted the ambiguity with withdrawal of individual processor and fishing quota applications prior to the share matching process. Given the uncertainties with the*

*crab resource, clarity on this aspect of the program would provide more stability and certainty to participants.*

- *While a discussion paper was suggested as the vehicle to move this request forward, the maker of the motion acknowledged that an ad-hoc or standing committee may be a useful tool to provide input to staff. However, given all the considerations that go into staffing a committee, the maker of the motion didn't think it was appropriate to make such a recommendation.*

### **Motion 3:**

The AP recommends that the Council initiate a discussion paper to consider the following changes to the BSAI Crab Rationalization Program (in no particular order):

- Revise eligibility requirements for receiving c-shares through transfer either as a new entrant or a current c-shares holder buying more to mirror the requirements recently implemented for holding or maintaining active participation requirements for c-shares.
- Increase c-share use caps.
- Relax select sideboards in times of low quota or closed crab fisheries.

### ***Motion Passed 20/1***

#### ***Rationale in Support of Motion 3***

- *The changes outlined in the motion could help build flexibility in the program to address some of the challenges of low quotas and closed crab fisheries. These changes could also encourage new entrants in this fishery, as well as help promote economic stability for harvesters – key objectives of the CR program.*
- *Revising eligibility requirements for receiving C-shares is responsive to public comment, and would “level the playing field” for participants buying c-shares with those that are required for maintaining C-shares. Consideration of this revision was raised too late in the Council process to be added to the recent rulemaking for maintenance of C-shares. Applying the same requirements for new owners could increase flexibility in the program, particularly in times of low quota and closed fisheries; it would provide more opportunities for new entrants or those looking to purchase more C-shares; and it would create consistency for the NOAA Fisheries participation verification process.*
- *Some AP members noted that raising the use caps for C-share holders would allow for increased flexibility in the Program and incentivize new entrants, active fishermen, and investment in C-share quota, but would likely not result in excessive consolidation of Quota Share, as the maximum cap would still be a very small percentage of the overall crab TAC.*

- *Relaxing select sideboards in times of low quota or closed crab fisheries could create opportunity to help keep family businesses and independent harvesters viable. The original purpose of sideboards was so vessels couldn't fish Pacific cod in another region while leasing out Bering Sea crab quota. However, if a Bering Sea crab fishery is closed or at low quota levels, that isn't an issue. Relaxing sideboards in times of low harvest or closed fisheries is in line with creating flexibility in the system to build fishery resilience, particularly as a tool to help protect independent harvesters. In the spirit of increasing flexibility to build resilience and encouraging active fishermen, the analysis should consider options beyond just historical participants in both Bering Sea and Gulf of Alaska fisheries.*
- *An AP member noted concern about relaxing sideboards given that sideboards were created to prevent rationalized fishery participants from harming smaller, unrationalized fisheries. This reservation was not considered significant enough to not support the motion, as the discussion paper should be able to provide information on the potential fisheries that could be impacted by relaxing crab sideboards. Specifically, the paper should include WGOA and CGOA cod fisheries which have small quotas that are currently fully utilized and are also facing significant processing and economic strain. This should include the size of those TACs, participation, and utilization of those TACs as well as season lengths.*

***Rationale in Opposition to Motion 3:***

- *An AP member noted that examining sideboards may be better situated in a broader paper that addresses a dynamic management framework.*