U.S. Rights-based Management Experiences Panel Discussions

Panelists explored the three interest areas and provided insights based on their experiences with RBM programs.

Nature of Questions to the Panelists:

Program Planning and Design
Identifying needs and objectives, clarifying roles, sharing information, key considerations, and difficult issues

Program Evaluation and Performance
Measuring success, identifying areas for improvements, outcomes, and lessons learned

Regional Interests and Flexibility

Panelists: Linda Kozak, Rachel Baker, Mark Grant, and Elizabeth (Libby) Etrie

Program Planning and Design

- **Ensure that historical catch and fishery data are adequate and confidentiality is protected.**
  Panelists agreed that access, adequacy, timeliness, and the ability to evaluate and provide feedback reviews on baseline data are essential. As one panelist stated, "more information upfront and early is better." Since stakeholders place great value on initial allocations and historical data, it is a good practice to have data that are both accessible and accurate. Otherwise, this issue could end up overshadowing other important steps in program design.

- **Engage stakeholders early, comprehensively, and efficiently.**
  Each panelist reaffirmed the importance of stakeholder engagement from the earliest stage of program consideration through—and during—implementation. They underscored that the process must not be a rush to the finish. However, participants were quick to highlight that stakeholder participation needs to be efficient. Suggestions for improving stakeholder process efficiencies included work committees at the Council level; pooling resources to send a representative for several stakeholders; and program support that is responsive to stakeholders' time and schedules.

- **Expect challenges when establishing provisions for eligibility, initial allocations, and transferability.**
  Determining eligibility and selecting qualifying years to serve as the basis for allocations require careful consideration to ensure an equitable outcome. Related considerations are:
  - determining the basis of initial allocation, such as catch history participation, which years, and how far in the past (e.g., the halibut IFQ allocation was based on the best three of five past years of catch);
  - deciding on leasing options; and
  - setting ownership and vessel caps.

- **Ask questions regarding fishery goals and interests.**
  Discuss how much, if any, consolidation is desired in the fishery as a whole and whether it makes sense to formalize linkages with processors.

- **Allow enough time to consider program alternatives before implementation.**
  Critical to striking a balance between a simple and a complex program design is to allow time to assess and evaluate alternatives, gather and share data, and educate managers, industry, and enforcement on the ramifications of implementation. Two panelists recommended a year or more to orient industry to system changes before full program implementation.

- **Match program complexity with program objectives.**
  Panelists urged development of a relatively simple program that can accommodate adjustments as conditions change. Some expressed caution on both extremes. An overly simple program can lead to unintended consequences (e.g., too much consolidation). The more complex the program, the greater the administrative burden of managing it. For example, the Gulf of Alaska Rockfish Program, which includes cooperative, entry level, limited entry, and sideboard allocations has a complicated quota management system.

Community Considerations

Panelists: Rachel Baker, Linda Kozak, Ed Backus, and Kelly Denit

Program Planning and Design

- **Identify and clarify roles in the program development process.**
  Clearly defining the roles and responsibilities of NMFS, the Councils, and the community is essential to engage stakeholders effectively and knowledgeably. Up front identification and communication of these roles and responsibilities enhances interest, trust, and understanding of the process. As one panelist phrased it, "... there is a ping-pong game between the Regional Fishery Management Councils and NMFS" regarding who is providing guidance to stakeholders on community considerations with RBM approaches, "because NOAA does not want to produce guidance that would be too firm and the Councils are concerned about taking the initiative without more guidance." However, without clear guidance, there is often uncertainty as to who drives final decisions. Achieving some level of consensus on the interests and needs of fishing communities (i.e., geographic or interest-based) and conveying those to the Council—early in the process—is imperative if outcomes are to support such considerations.

- **Establish flexible, innovative forums to increase stakeholders' participation and knowledge.**
  RBM program planning entails a learning curve and can be a time burden for stakeholders. To address these concerns, panelists suggested organizers ensure the appropriate mix of stakeholders is engaged and the process is designed around realistic time commitments from participants. In the North Pacific Council, committees were formed to generate ideas, work through implementation issues, and prepare recommendations to the Council. These committees were seen as "a less daunting place to throw out ideas than on the Council floor." One panelist suggested like-minded fishing groups pool resources to stay engaged by jointly hiring a spokesperson. Creation of knowledge-sharing groups was another strategy offered. In Alaska, the Gulf of Alaska Coast Communities Commission was formed to create a capacity-building process with technical workshops to ramp up stakeholder knowledge and enhance participation and negotiation. One panelist discussed the Community Fisheries Network as a "peer-to-peer system to build capacity and knowledge" among fishermen.

- **Design resilient and flexible programs.**
  The key focus is to manage for the primary objectives specified by stakeholders and develop some provisions for these interests up front. Then consider multiple scenarios of future realities to create a plan that will be resilient and flexible. There was consensus that, in any program, the basic idea of regional allocations could be a starting point. Design the program so that management can adjust and provide longer-term opportunities without substantial disruptions to existing fishery operations.

Program Evaluation and Performance

- **Effective program evaluation and modifications depend on clearly defined and measurable objectives.**
  Measurable characteristics that are important to stakeholders—such as vessel size diversity, regional landing diversity, and fishery biomass—should be used later to evaluate the new RBM program and to evaluate program efficacy. By identifying clear objectives upfront, success can be defined, accomplishments assessed,

and changes made when necessary. A panelist assured the group that this work is difficult and that they should not expect to get it right the first time: "It's worse than rocket science. Rocket science at least follows the laws of physics."

- **Monitoring and evaluation are needed during implementation to ensure desired community benefits are met.** Planning for which communities will benefit and how is a challenge and is hard to predict. Objectives may not be met initially. Programs need to be evaluated mid-course to verify whether intended beneficiaries are indeed benefiting and modify accordingly. One panelist conveyed that difficult decisions sometimes create new opportunities for communities. At the same time, the program design should prevent disruption and inequity to the overall community.

- **Recognize that access to capital can be a barrier.**
  This is an ongoing concern recognized by stakeholders and NMFS. Agency staff have approached the USDA to learn about their grant and loan programs and how they have structured them. One panelist discussed how access to financing became a major barrier in Alaska: developers of the CQE program carefully considered their needs, but they planned to use the Alaska Native Claims Settlement Act and it turned out not to be a reliable source.

Economic Efficiencies and Benefits

Panelists: Jessica Stephen, Bill Tucker, Jamie Goen, Michele Longo Eder

Program Planning and Design

- **The need for market stability was a common driver for fisheries to transition to catch shares and to increase product continuity in a year-round market.**
  Panelists identified the need in each case to ease pressures of fishing season limits, which perpetuate a race for fish and constrain value in fisheries. Fishermen wanted to extend the season to a year-round fishery to achieve stable pricing. After catch shares were implemented, fish prices stabilized in these fisheries. A panelist elaborated on the Gulf of Mexico red snapper and tile/grouper fish fisheries—the waste from a flooded market and depressed prices—and how inefficient and time-consuming it was to attract and re-attract buyers when the product flow was inconsistent.

Program Performance and Evaluation

- **Increased opportunities for fisheries innovations in conservation and gear efficiencies.**
  Catch shares can allow more time and flexibility to be proactive in addressing conservation concerns, such as bycatch reduction and the protection of listed species or habitats. Fishermen may partner with research groups interested in experimental fishing or gear testing through quota leasing opportunities.

- **Fishermen now choose to fish when it is in their best interest.**
  Panelists all identified the benefit of flexibility: the ability to select which fisheries to target based on demand and stock quality/availability. Fishermen have been able to shift in and out of a fishery when beneficial or efficient. Supply can now be more tailored to demand.

- **New opportunities emerged to increase market benefits through product control and branding.**
  Panelists discussed new opportunities to add value to products and ensure traceability as they make their way to market and the consumer. With longer seasons, fishermen can work with the processor to develop more product options and sales channels (e.g., icing for later sale, brokering). Improvements in product control increased branding opportunities. For example, Gulf Wild, a seafood branding organization in the Gulf of Mexico, established a set of catch compliance standards and provides real-time data and the ability for consumers to trace products back to fishermen who fish sustainably and locally, which adds value to the fishery and increases the willingness of consumers to pay a higher price.