

# HARVESTING COOPERATIVES



## *Gulf of Alaska Rockfish Pilot Conservation Cooperative*

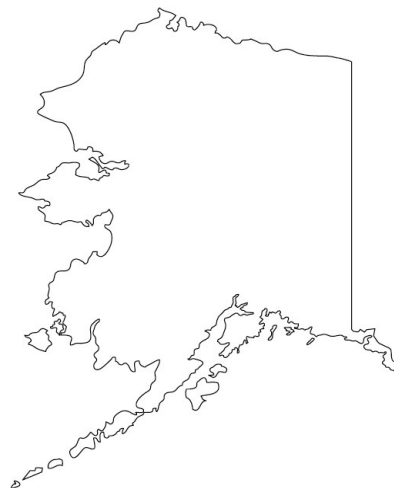
In 2007, the North Pacific Fishery Management Council implemented a five year pilot cooperative program in the commercial sector of the Central Gulf of Alaska Rockfish Fishery. The program was designed to address problems of overcapacity and derby fishing and to meet various additional goals. After 3 years, the pilot program is meeting its goals of ending the race for fish, improving product quality, protecting shore plants and communities, and decreasing bycatch and discards.<sup>1</sup>

This fishery is located in the central Gulf of Alaska and is managed by National Marine Fishery Service with consultation by the North Pacific Fisheries Management Council. The commercial fleet employs mid-size trawls and fixed gear on both shore-based catcher vessels and at-sea catcher-processor vessels. The fleet targets Pacific Ocean perch, northern rockfish, and pelagic shelf rockfish (including dusky rockfish, yellowtail rockfish, and widow rockfish). These stocks have not been overfished nor has overfishing occurred. Bycatch of sablefish, Pacific cod, Pacific halibut, shortraker rockfish, roughey rockfish, and shortspine thornyhead have been historically high in the fishery.

### History

Prior to cooperative formation the fishery was plagued by problems, due to traditional management approaches, including overcapitalization, shrinking fishing seasons, decreased safety and poor product quality.<sup>2</sup> The fishing season shrunk to a dismal derby-filled three weeks. Vessel crews were working overtime, often during dangerous weather, to land as much fish as allowed during the open season. Processors were also working overtime as the season coincided with salmon season, putting additional pressures on fishermen to compete with other fisheries to make timed deliveries to processors. Product quality was extremely poor due to the rush to harvest and land during the short season.<sup>3</sup> Bycatch and discards, especially of halibut, were extremely high.<sup>4</sup>

With growing concern from managers, in 2003 the Secretary of Commerce developed policy guidelines to initiate a program to alleviate the fishery's problems. The guidelines were: to preserve the historical participation of fishing vessels and fish processors; provide a set aside of 5% for new entrants and catcher vessels not eligible for initial allocation; and establish catch limits for the historical bycatch species caught with target species. To implement this framework, the North Pacific Fishery Management Council voted in 2005 to develop a pilot cooperative catch share program. The Council identified additional goals to end the race for fish, improve product quality, protect shoreside plants and communities (specifically to stabilize the community of Kodiak), and decrease bycatch and discards.<sup>5,6</sup> The pilot program allowed for the formation of more than one cooperative and fishing under the program commenced in the 2007 fishing season.





## Performance

In the first three years of the pilot program, goals have successfully been achieved. The fishing season has extended from three weeks to 6.5 months (May 1-November 15) for the cooperative fishermen. This longer fishing season has allowed for higher quality products that can be delivered to processors without conflicting with salmon season and competition for deliveries. The ex-vessel value of landings has increased under the cooperative pilot program: from 2005 to 2007 the value of Pacific Ocean perch increased by over 100% while Northern Rockfish has increased by 75%.<sup>7</sup> Fleet consolidation has not occurred as a result of this pilot program.<sup>8</sup>

A 2008 review of the pilot program noted that job stability and working conditions have improved in the processing plants of Kodiak.<sup>9</sup> The exclusive agreements between processors and harvesting cooperatives have stabilized deliveries over a longer period of time; processing plants now receive deliveries during months that have historically been slow, keeping plants open that would normally have closed.<sup>10</sup> Transfers of quota from the catcher-processors to the catcher vessel cooperatives have increased the amount of fish delivered to shore-based processors.<sup>11</sup> The slower pace of the fishery may have also benefited the Kodiak community as vessels and crews frequent the town more resulting in a greater amount of money spent in the local economy.<sup>12</sup>

Members have also increased cooperation. For example, they have developed voluntarily inter-cooperative agreements focused on coordinating quota management, setting up reserves to cover overages and methods to avoid halibut<sup>13</sup> such as maximum halibut bycatch rates and measures that restrict harvesting by members with high halibut bycatch rates.<sup>14</sup> Bycatch of halibut in both catcher vessel and catcher-processor sectors has been reduced substantially and there have also been a drastic reduction in discards in the catcher vessel sector.<sup>15</sup> Participants have also reported that slower seasons have allowed an increase in conservation practices without sacrificing harvesting opportunity,<sup>16</sup> including switching to less destructive gear.<sup>17</sup>

## Key Design Features

The Rockfish cooperative combines a number of design features to meet their goals including shares for target and bycatch species, provisions for new entrants, limitations on trading and more. There are seven cooperatives under the program, each with a secure allocation. 5% of the shares were set aside for new entrants and participants who did not qualify in the program.

Vessels were classified into two categories for quota, catcher-processors and catcher vessels. There were 15 catcher-processor vessels that qualified for the program, five of which formed two catcher-processor cooperatives.<sup>18</sup> There were 47 catcher vessels that qualified, 44 of which formed five catcher vessel cooperatives.<sup>19</sup> Vessels that chose not to enter continued to fish under a competitive limited entry fishery with a small TAC. Cooperatives are responsible for managing and coordinating the fishing of its members.<sup>20</sup>



To preserve historical fleet participation, individual and cooperative consolidation caps were implemented. At the start of the program, one member could not hold more than 5% of catcher vessel quota or more than 20% of catcher-processor quota. Catcher vessel cooperatives cannot harvest more than 20% of the catcher-vessel quota while catcher-processor cooperatives cannot hold more than 30% of the catcher-processor quota. In June 2010, the Council implemented stricter consolidation caps and transfer rules to as a precaution to prevent consolidation.<sup>21</sup> Now, catcher vessel cooperative members cannot hold more than 4% of the harvest allocation (unless grandfathered based on catch history), and no vessel can harvest more than 8% of the catch limit.<sup>22</sup> Additionally, cooperative members who trawl are not allowed to divide their license and shares.<sup>23</sup>

To protect communities and shore-based processing plants, the program outlines limitations on trading between cooperatives.<sup>24</sup> Transferability is allowed between cooperatives of the same vessel category and catcher-processors are allowed to transfer quota to catcher vessels cooperatives. However catcher vessels cooperatives cannot transfer quota to catcher-processors cooperatives. Initially, processors received processor quota that would guarantee deliveries from the catcher vessel cooperatives whose members historically delivered to that processor. In June 2010, the Council changed the program to allow for increased flexibility: Cooperatives are still required to associate with a specific processor each year, however now fishermen can change cooperatives and cooperatives can change processors annually without a penalty.<sup>25</sup>

All vessels in the pilot program are required to have 100% observer coverage. Video monitoring program is currently being considered as an alternative in the catcher vessel sector.

## Sources

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