

Alaska's Fisheries Management Co-operatives

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Goals for presentation

- Clear understanding of West Coast Co-ops
- Understand co-ops are an example of broader self-governance trend in fisheries
- What messages to take from co-op/self-governance experiences

I. West Coast Co-ops: Two types

- AFA co-operatives: Four types of pollock co-ops with terms specified in AFA
- Non-AFA co-ops: Governed by Fisherman's Cooperative Marketing Act only.
 - Pacific Whiting, Weathervane Scallops, Chignik Salmon

Co-operatives??

- Most have little in common with co-ops that have provided supplies, bait, services, and marketing.
- Take advantage of limited anti-trust immunity under Fisherman's Cooperative Marketing Act.

Pacific whiting

- Whiting Conservation Cooperative
- Established in 1997
- 4 catcher-processors
- Negotiated in ½ day!
- From 10 vessels to 4
- Recovery from 17.2% to 24%
- By-catch from 2.47 kilos/ton to .99 kilos/ton

Bering Sea Pollock Co-ops

- North Pacific Council rejected sectoral allocation to a cooperative in 1998
- American Fisheries Act created sectoral allocations and authorized 4 types of co-ops
- AFA bought out 9 of 29 vessels
- Complicated political compromises

Pollock Conservation Cooperative (Catcher-Processors)

- Catcher-processor co-op cut vessels from 20 to 16.
- Bought quota from 7 catcher vessels in Offshore Pollock Catchers' Cooperative
- Recovery increased 20%
- More higher-value products
- Season length from 75 days to 149 days

Inshore catcher boat co-ops

- Each co-op tied to a processor
- Complicated rules to switch processors
- Implementation 1 year later than offshore co-ops

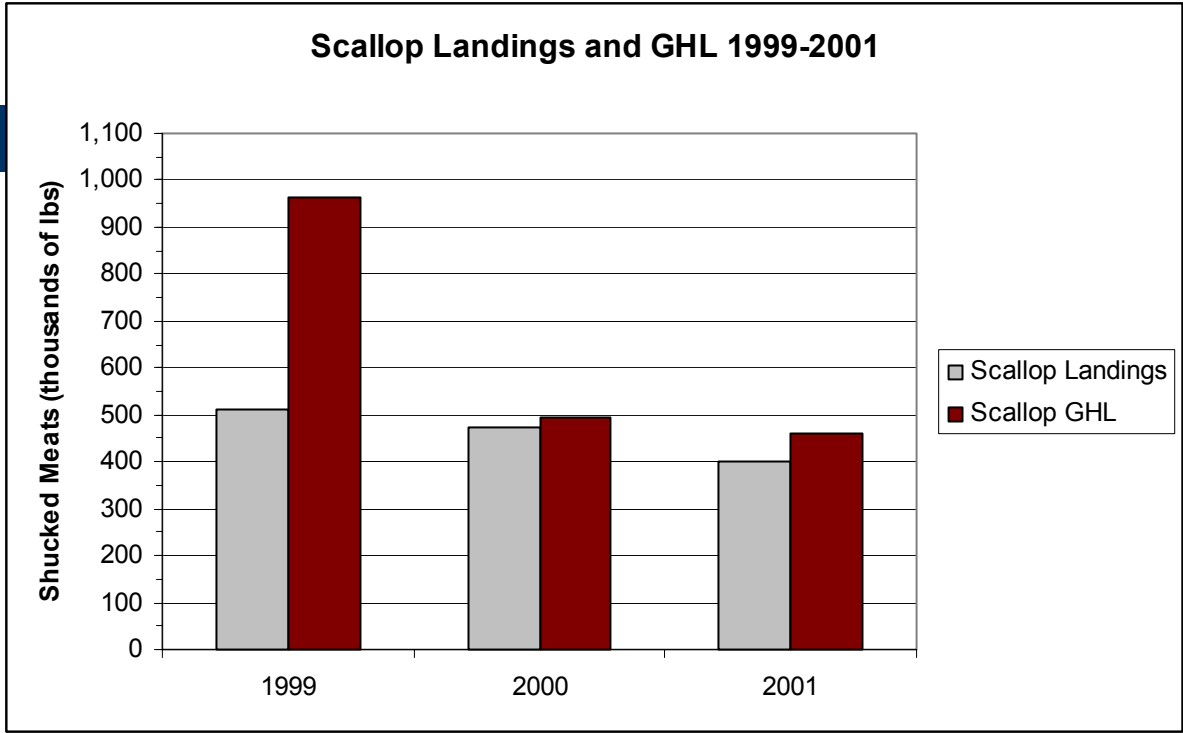
Cooperative Chum Salmon Bycatch Management

- Agreement between catcher-processors, mothership catcher boats, and inshore catch boat cooperatives.
- Classified based upon percent of Base Bycatch rate as Tier 1 (<75%), Tier 2 (75%-125%) and Tier 3 (>125%)
- Access to hotspots (“Savings Areas”) depend upon Tier status
- Independent monitoring and allocation to Savings Areas by SeaState. Penalties = 50% or 100% of pollock value.
- Voluntary response to address political pressure and threat of more onerous regulatory rules.

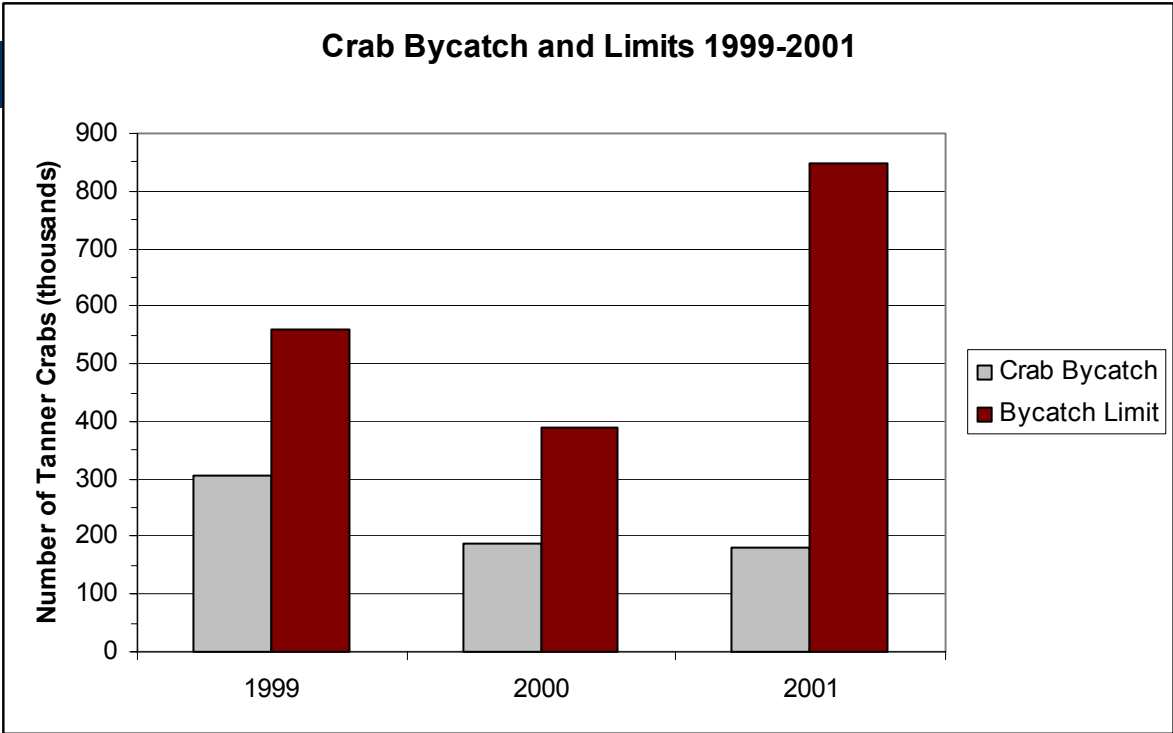
Alaskan Weathervane Scallops

- Small fleet (6 large, 3 small vessels)
- Catches often limited by by-catch of crab
- Manage both scallop catch and crab by-catch through allocations
- Increased % of scallop quota while reducing % of crab by-catch limit

Scallop Landings and GHL 1999-2001



Crab Bycatch and Limits 1999-2001



Chignik Salmon Cooperative

- Background: Falling salmon prices
- Alaska Board of Fisheries allocated 69% of Chignik salmon to 77 (of 100) permit holders in co-op in 2002
- 22 members fished; other 55 paid \$23,000 each
- Traditional co-op ran system
- Member/non-member divisiveness

II. Self-Governance in Fisheries Increasingly Common

- Oregon herring
- Hawaii lobsters
- Canada scallops
- Canada geoducks
- Canada herring
- Danish Matjes herring
- UK coops
- Shetland groundfish
- Shetland shellfish
- NZ Challenger scallops
- NZ orange roughy

Oregon Herring Roe

- State limited entrants to 9
- Derby fishery
- 1989: nine members negotiated equal individual allocations
- 1991: renewed agreement for 3 years

Canadian offshore scallops

- Low-cost way to manage yield-per-recruit by industry agreement to avoid small scallops
- Every trip monitored for size distribution
- Shared with all license holders
- Self-policing
- \$3 million for bottom-mapping
- Cost recovery for research and monitoring in Canada

Shetland Producer Organization

- Producer Organizations (PO's) authorized by EU
- ITQ's opposed by UK fisheries organizations
- In UK, 95% of quotas managed by 19 PO's
- PO's can swap quota
- PO's can purchase quota
- Shetland PO created ITQ-like allocations for its members
- Shetland PO, with local government financing, purchases "community quota" that is leased to harvesters

New Zealand Challenger Scallops

- Seed stocks
- Set quotas
- Assess stocks
- Rotate stocks
- Monitor biotoxins
- Conduct research
- 17%-20% fee to self-finance
- Negotiate gear conflicts with oysters
- Negotiate use with recreational users

So, the co-op trend is:

- Not just an AFA phenomena
- Not just a way around the US ITQ ban

but rather

- Part of a fundamental new development in fisheries management

III. Understanding self-governance

- Reasons for self-governance
- Factors on harvester side
- Factors on government side

Potential Advantages of Self-governance

- Less costly/quicker decision-making
- Lower enforcement and management costs
- Some tools and enforcement options cheaper for private actors. (“Informal” enforcement.)
- Can realize opportunities to increase value:
 - stock enhancement
 - marketing/management interactions
- Emphasizes profits over political games

Harvester characteristics

- Defined set of players
- Small numbers better
- Clear financial benefits of bargaining
- Sedentary resources (e.g., scallops) easier
- Regional “learning by doing”

Government characteristics

- Limited entry defines who bargains. CRUCIAL.
- Devolve real responsibility. CRUCIAL.
- Dividing into user groups helpful.
- ITQs reduce allocation issues
- Lower, not raise, bargaining costs
- Understand limits of government power