

CATCH SHARES:

Frequently Asked Questions

■ What is a catch share?

Catch share programs set a scientifically allowable total catch and then allocate a percentage share of that total to fishermen. (Catch shares work for both targeted catch and bycatch.) Catch share programs can also set conservation targets (e.g. fish populations, habitat health, etc.) for specific areas—a system sometimes called “territorial use rights for fishing” (TURF) or “area-based catch shares.” Shares, based on a percentage of total allowable catch or area, can be held by individuals, cooperatives, or communities.

■ Why do catch shares work?

Catch shares restore economic and environmental health to our oceans because they set a mandatory scientific target and then give fishermen maximum flexibility in choosing how to meet that target. The mandatory target holds fishermen accountable to catching only the allowable amount of fish. The flexibility gives fishermen the incentive to improve their efficiency, and gives them the benefit when they help restore the oceans. Scientific studies have shown that this combination of private accountability and flexibility works better than having the government try to manage the details of the fishing business.

■ How do catch shares affect profitability for fishermen?

Catch shares decrease costs and increase fishermen’s revenue due to increased efficiency, yields and dockside prices. In the five years after catch shares implementation in the U.S., revenues per boat increased by an average of 80%. In addition, as fishermen retire or leave the business, they can sell their shares. In the past fishermen leaving the business were left with little or nothing.

■ What is the economic benefit of catch shares?

Catch shares can be a driver of economic growth. The World Bank has found that mismanaged fisheries have cost the global economy about \$2 trillion over the last 30 years. Catch shares can turn that loss around and pump an additional \$50 billion into the global economy annually. In the U.S., if catch shares were implemented today the net economic value of commercial fisheries would likely double.

■ How do catch shares affect jobs?

Catch shares create more full time jobs and dramatically safer jobs. In the short term catch shares provide more full-time jobs, because they shift away from short, relatively dangerous and intense fishing seasons a few times a year, to safer and more year-round fishing. This increase in full-time employment is good for communities even though there can be fewer part-time jobs available.

■ What is the cost to administer catch shares?

Catch shares simplify the administration of fishing and should cost less to administer in the long term. Recent catch share pilot programs have been start-ups requiring investment up-front for design and implementation. In some cases the government does not have the basic data it needs for management—and many of the costs are spent on fixing these basic problems. As the federal government gets better at catch shares and as depleted fisheries are restored, some costs can be recovered to fund on-going operations and management of the program.

■ Who might oppose catch shares?

Inertia is our biggest opponent, abetted by philosophical debates about how to structure fishermen’s privileges to use the oceans. Inertia starts when fisheries councils and agencies take many years to come up with designs, or when initial steps are so small they won’t make a difference. Philosophical debates have been dramatically reduced because the law is clear that catch shares are a privilege that can be revoked (not a property right).

■ Are there any examples where catch shares haven’t worked?

The New Zealand orange roughy fishery is one that did not immediately benefit from catch shares. Orange roughy is a slow-growing species, and due to poor stock assessments prior to catch share management, catch limits were set too high. As a result, biomass was reduced to one-third of historic levels. However when catch limits were appropriately ratcheted down, rebuilding slowly occurred. As of 2007, the stock was 60% higher than historic lows.

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■ Are buyouts needed to do catch shares?

Catch shares have value, providing a new asset to all fishermen in the program, so buyouts aren't needed. Those who wish to retire or leave fishing can sell their shares in willing buyer-willing seller transactions. In contrast, buyouts often mandate remaining fishermen to fund the attrition of others, adding a significant financial burden under low economic performance of the fishery. Catch shares can sometimes be accelerated with transition assistance mechanisms (e.g., California Fisheries Fund) that provide low-interest, government-backed loans to fishermen or communities to develop business plans and other innovations.

■ Are fishermen and communities engaged?

Fishermen and fishing communities have been among the most enthusiastic supporters of catch shares. In addition the federal fisheries process has significant opportunities for input by the public, communities, stakeholders, states, scientists and other federal agencies. A system of eight regional fishery management councils comprised of stakeholders, regulators, and others provides recommendations to the Secretary of Commerce and NOAA for regulatory action.

■ Can catch shares be implemented in complex fisheries?

Catch shares can be designed to meet the diverse needs of fisheries. Catch shares have been successful in multispecies fisheries (e.g., British Columbia groundfish and Atlantic Canadian groundfish) and targeted fisheries (e.g., Gulf of Mexico red snapper). Multispecies fisheries present important challenges irrespective of management including information availability, species interactions, and need to account for co-occurring stocks in poor condition.

■ How can marine protected areas (MPAs) and catch shares work together to increase fishery productivity?

When catch shares are coupled with MPAs, important habitats where fish breed and grow can be safeguarded, and overall production can be enhanced. Protecting fish in these life-stages contributes to a healthy fishery with increased economic potential.

■ Are catch shares a property right?

No, catch shares are not a property right. Catch shares are a privilege to access a public resource subject to law and regulation.

■ What is the benefit of catch shares to consumers?

Consumers benefit because catch share fisheries have improved seafood quality and availability. Catch shares seafood is often handled better - delivered fresh - and is available at the market year-round rather than a few times a year. A consumer of catch shares seafood can also feel good about purchasing an eco-friendly fish.

■ Are catch shares a silver bullet?

Catch shares are not a silver bullet. Sustainable fisheries rely on a healthy ocean including a protected seafloor and estuaries, and reduced ocean impacts from climate change, among others. Catch shares provide the performance-based framework necessary for ensuring compliance with catch limits. In addition, by tying together economic and conservation performance, catch shares create a constituency for addressing other challenges affecting fishery productivity and ocean health.

■ Why are only a few U.S. fisheries currently managed under catch shares?

To date the U.S. has focused on testing the effectiveness of catch shares through a small number of programs around the country. Now that these pilots and other studies clearly show economic and conservation benefits, the U.S. needs to commit to widespread implementation.

■ How are catch share allocation decisions made?

The U.S. fisheries that have transitioned to catch shares have examined this issue separately and come up with the same general plan: allocate shares based on past fishing history with considerations for boat size, ownership caps, and other relevant criteria. As with any allocation of public goods, these decisions can be difficult. Once the program is in place, the shares can be bought or sold among participants based on market value.

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