



ENVIRONMENTAL DEFENSE FUND

finding the ways that work

Testimony before the
Senate Committee on Commerce, Science and Transportation
Subcommittee on Oceans, Atmosphere, Fisheries and Coast Guard
The Honorable Olympia Snowe presiding
Portland, Maine
October 14, 2008

Thank you Senator Snowe. I am honored to be invited to testify today. My name is Sally McGee. I am the New England Policy Director for Environmental Defense Fund's Oceans Program. I have also served for five years as a member of the New England Fishery Management Council.

Environmental Defense Fund's motto is "finding the ways that work". We are committed to grounding solutions in sound science to protect natural resources and the communities which depend on them. Our six-person New England team is 100 percent focused on reforming our fisheries management system to support a robust, sustainable fishing economy.

There is a proven solution that can address each of the concerns you have raised: Amendment 16, the future of the industry and fishing communities and scientific uncertainty. That solution is catch shares, or essentially cap-and-trade systems for fish. As the name implies, catch shares dedicate a percentage of the annual catch to an individual fisherman, groups of fishermen, or a community. The catch share system of greatest interest in New England is called "sectors," where quotas are allocated to groups of fishermen.

Just last month the journal *Science* published a study that looked at more than 11,000 fisheries worldwide, of which 121 were managed using catch shares. The results were clear. Catch share fisheries were 50 percent less likely to be collapsed than traditionally-managed fisheries. And the longer a catch share system is in place the less likely it is to collapse. The researchers concluded that the difference between catch share and traditional management systems was so clear that their results showed "the potential for greatly altering the future of global fisheries."

In 2006, Environmental Defense Fund released a report called "Sustaining America's Fish and Fishing Communities," which studied existing catch-share systems in North America. The results were dramatic.

Not only did over-fishing stop, but average revenues per fishing boat increased by 80 percent due to higher yields and dockside prices. Safety at sea improved significantly and fishing effort dropped by twenty percent, leading to greater profits and lower environmental impacts. Bycatch was reduced by more than forty percent. And, a key point regarding the subject of this hearing, the science was greatly enhanced. Catch shares improve monitoring, data quality, and accuracy of allowable catch limits.

In New England, advocating for a catch share approach has meant lending my strong support for groundfish sector allocations. One of the most memorable council meetings for me was in Newport Rhode Island last November. There were at least fifty fishermen from throughout the region

packing the room. They all came to say the same thing – we want sector allocations—catch shares. In exchange they understood that they would gain regulatory relief from wasteful and ineffective rules, like trip limits, while improving the economic performance of their businesses.

We have the means—right now—to get beyond this decades-long struggle to restore the region’s fisheries. The sector approach that we have been working to develop in New England will be a win-win-win once we get there. Fishermen win – gaining assurance of access and increased flexibility to fish when the economic and weather conditions are right. The government wins – since the fishery will be in compliance with the Magnuson Stevens Act. The public and the resource win because the fishery will finally be managed sustainably.

There are currently 19 proposals for new or revised groundfish sectors in front of the Council, developed by fishermen. If implemented, these sectors will cover a significant portion of the groundfish fleet. Others in the groundfish fishery are interested in individual transferrable quotas, another type of catch share. We believe that catch shares, designed correctly, address community and conservation needs and hold the key to addressing the three concerns you raise today.

I do not believe that further delaying Amendment 16 or the interim rule to redo what was already a highly rigorous and thoroughly peer-reviewed stock assessment will further our shared goals. We need to continue our work through Amendment 16 and to transition away from the failed days-at-sea system and implement catch shares.

I do believe the fishery needs significant government investment, and I hope to work with your office on securing the needed aid. Specifically, an effective monitoring system is critical to successful catch share programs. An appropriation to establish such a monitoring system is critical to help fishermen through this transition period.

The Magnuson Stevens Act mandates that NMFS end overfishing. They will do so in their interim regulations for 2009. While the results are likely to be severe, further delays in corrective action will only take control away from the far more democratic Council process. And, the longer corrective action is delayed, the greater the economic cost fishermen will have to pay to get groundfish back on track.

Focusing on solutions like catch shares will let stocks rebuild and fishermen fish knowing their businesses will be there for the long term. By aligning economic incentives with the conservation goals, our fishermen become effective front-line stewards in rebuilding our fisheries.

I thank you for your attention and am glad to answer any questions.