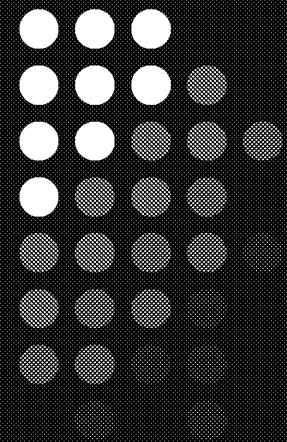


Defined Shares for Salmon Management

Building a strategy

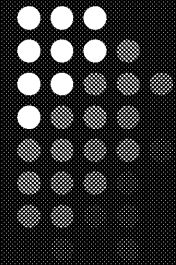
Ops Committee discussion
July 21, 2009



Context for Change

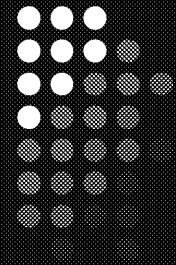
- Environmental uncertainty
 - Changing ocean conditions and impacts on stocks
- Conservation challenges
 - Need to protect weak stocks
- Financial and economic challenges
- First Nation aspirations
- Pressure from fleets in some cases
- Other policies / programs
 - PST, WSP, Treaty approach

The Vision



- The vision announced in Pacific Fisheries Reform is:
 - A sustainable fishery
 - Full economic and social potential of the resource is achieved.
 - First Nations interests are addressed
 - First Nations fishing interests are defined and reconciled with the interests of all Canadians.
 - Equitable treaty-based fisheries are achieved
 - Trust
 - There is public, market and participant confidence that the fishery is sustainable.
 - Accountability and Responsibility
 - Participants are self-reliant and able to self-adjust.
 - Participants are treated fairly and equitably and are involved in decision-making and share accountability for the conduct of the fishery.
 - Costs of management are shared by those who benefit from the harvest.
 - Stability and predictability
 - All fishery participants enjoy certainty and stability necessary for business planning.
- **Defined shares for the commercial salmon fishery are a key tool to support integrated management of sustainable commercial fisheries**

Principles



- **Share-based management (SBM) will be guided by the principles outlined in Pacific Fisheries Reform**

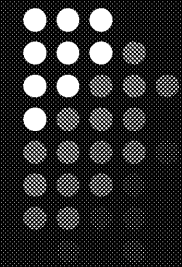
Conservation

- The SBM regime would support WSP objectives by enabling more flexible harvesting that targets stronger CU's and avoids weaker ones.
- Moves away from competitive fishery and allows focus on maximizing value

Aboriginal and treaty rights of First Nations

- SBM must support the transfer of commercial salmon access to First Nations in a fair and transparent manner (facilitates mitigation?)
- Provides for in-river commercial access by FNs
- Improves ability to manage for FSC access

Principles (cont)



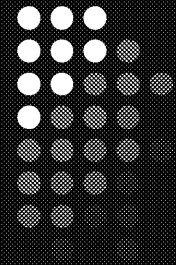
Stable Access and Allocation

- SBM will provide greater certainty of allocation
- Must support the transfer of commercial shares between and among First Nations and commercial fishing fleets
- Facilitates self-adjustment by commercial fishers

Responsibility and Accountability

- To ensure conservation objectives are met and commercial shares are respected, all commercial fishery participants must conform with established standards and protocols for fishery monitoring and catch reporting.
- All fishery share holders are responsible for participating in fishery planning and decision making processes to ensure that credibility and confidence in the SBM are maintained.
- Responsibility also extends to financially supporting the SBM regime.

Considerations

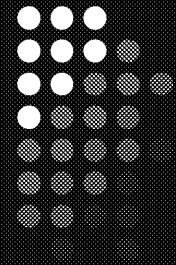


- Improved Co-management
 - Collaborative management involving all commercial
 - Collaboration must occur at appropriate scales to accommodate the geographic and temporal range of the shares being managed. This will likely require a hierarchical co-management regime with nested geographic scales.
 - Opportunities exist to build on emerging processes or to create new watershed scale processes to advance SBM in the Skeena, Somass, and Fraser River watersheds.

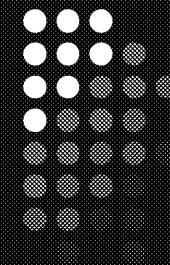
Considerations

- Enhanced Fishery monitoring and catch reporting
 - SBM requires a high standard of catch monitoring to instill confidence among participants that shares are being respected.
 - Design of monitoring programs depends on the nature of the share, stock resolution, individual or group share.
 - However, higher catch monitoring standards are being developed for all fisheries

Considerations



- Need for a Default mechanism?
 - In the absence of a consensus recommendation to the contrary by commercial licence holders, all commercial licences will be assigned an equal share of the allocation for a particular fleet.
 - This equal share can either be used for transfers to First Nations or for participation in SBM regimes.
- Pace of implementation
 - SBM is both complicated and contentious.
 - Rate and form of implementation will be based on:
 - lessons learned from demonstration fisheries;
 - the level of support of commercial fleets and First Nations;
 - progress of analytical work; and
 - complimentary implementation of the WSP, enhanced monitoring standards, co-management approaches, and evolving First Nations policy direction.



SBM Work to date

- SCORE report
 - Majority view advocated...
 - Dissension
- Commercial Demo fisheries
 - Fewer resources used in harvesting under ITQ
 - Benefits for processing / marketing
 - Management costs higher but results better
 - Downsides?
 - Some opposition (next pg)

SBM Views

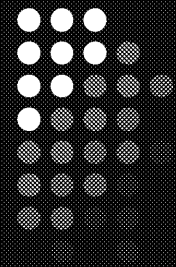
- Salmon Survey Results (2008) informed DFO and harvest committees
Harvest committee resistance to ITQ's in some areas (C & D)
- 2009 Approach:
Implementation with willing Harvest Committees and First Nations

Area	% Support for Demos.	% Surveys Returned
A	75%	66%
B	71%	56%
C	13-14%	61%
D	27-35%	57%
E	47-53%	39%
F	50% coho; 45% other	63%
G	47-59%	62%
H	64-68%	41%

SBM Work Underway

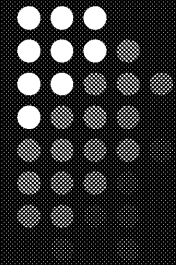
- FNFC proposal
 - FN perspective
- SFU work
 - Modelling of Fraser sockeye??
- Market design workshop
 - Cap & trade modelling proposal
 - Set the cap (regulatory decision)
 - Create tradeable elements
 - Initial allocation (most controversial element)
- Review of Allocation Policy (PST)??
- 2009 Demo fisheries (next pg)

2009 SBM: Commercial Demonstrations



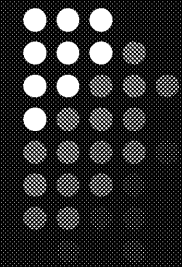
- Area A:
 - Full fleet ITQ fishery for sockeye in area 4. Weekly TAC with no carryover between weeks
- Area F:
 - Full fleet ITQ fishery for North Coast AABM chinook. Longest running demonstration (2005)
- Area B+H:
 - Full fleet ITQ fishery for Fraser sockeye and pink salmon. Adjustable TAC based on in-season run size changes.
- Area H:
 - Full fleet Individual transferable effort based fishery. Boat days assigned based on pre-season model.
- Mandatory landing and independent dockside monitoring for all fishery participants.

2009 SBM: First Nations Demonstrations



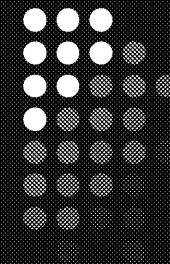
- Limited number of projects in the Fraser River and Skeena River
- Salmon shares based on the following guidelines:
 - 1 For commercial ITQ demos, every licence in fleet receives an equal fractional % share of the commercial TAC.
 - 2 General agreement between FN and commercial harvesters on Skeena, inland transfers of sockeye TAC seine fleet based on an equal fractional % share of the TAC for all licences in the fleet. Same approach proposed for gill nets in 2009.
 - 3 Licence shares expressed as a fractional % share of the available TAC, and not a fixed number of salmon, to account for in season changes in the TAC.
- Other projects proposed for ATP program (e.g. indiv. Commercial licences to FN's), Gitanyow, Okanagan Nation, Cowichan and Saanich First Nations. Unallocated licences remain to provide shares for these projects if necessary.

Proposed FN Demonstration Shares (% of Comm'l TAC)



Planned fractional share of the Commercial TAC by Species							
	South Coast			North Coast			
Demonstration Project Proponent	Fraser River Sockeye	Fraser River Pink	South Coast Chum	Fraser River Chinook	Skeena River Sockeye	Skeena River Pink	Nass River Sockeye
South Coast							
Northern Shuswap Tribal Council	1.4%						
Sewepmc Nation Fisheries Commission		0.5%		5.5%			
Siska First Nation	0.3%	0.4%		0.8%			
Lheidli T'enneh First Nation	0.2%						
Carrier Sekani Tribal Council	0.3%						
Tsilhqot'in National Government	0.3%						
North Coast							
Skeena Fisheries Commission							
Inland Fishery					5.3%	9.0%	
Gitanyow Economic Fishery							0.6%
Sub-total	2.4%	0.9%	0.0%	6.3%	5.3%	9.0%	0.6%
Total Available	10.1%	10.6%	10.6%	7.0%	5.3%	9.0%	0.6%
Remaining unallocated shares	7.7%	9.8%	10.6%	0.8%	0.0%	0.0%	0.0%

FN Demonstration Shares (pieces)



Approximate shares in pieces of salmon based on pre-season TAC							
	<u>South Coast</u>			<u>North Coast</u>			
Demonstration Project Proponent	Fraser River Sockeye	Fraser River Pink	South Coast Chum	Fraser River Chinook	Skeena River Sockeye	Skeena River Pink	Nass River Sockeye
<u>South Coast</u>							
Northern Shuswap Tribal Council	49,000						
Sewepmc Nation Fisheries Commission		43,000		1,500			
Siska First Nation	11,000	30,000		200			
Lheidli T'enneh First Nation	5,000						
Carrier Sekani Tribal Council	9,000						
Tsilhqot'in National Government	11,000						
<u>North Coast</u>							
Skeena Fisheries Commission							
Inland Fishery					21,000	42,000	-
Gitanyow Economic Fishery					-	-	1,000
Sub-total	85,000	73,000	-	1,700	21,000	42,000	1,000
Total Available	355,000	906,000	51,000	2,000	21,000	42,000	1,000
Remaining unallocated shares	270,000	833,000	51,000	300	-	-	-

Discussion questions

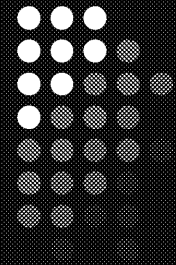
Key questions on technical feasibility and key characteristics of an SBM regime:

1. Shares of what? Analytical work, including simulation model development, is required to evaluate options with respect to meeting WSP objectives and to test feasibility of moving shares among coastal groups and from the coast to inland locations.
2. Individual or groups shares? Is it either/or, or does it depend upon the situation?
3. How do we make effective use of commercial fishery “bundles” of shares in transferring shares of specific stocks or CU’s to First Nations, (incl. large river systems)?
4. Transferability rules are required between groups and individuals

Issues

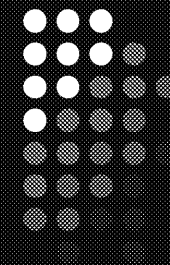
- Transfer of shares inland
- Link with PST, treaties
- Mitigation
- Majority view positive in many (not all) fleets but not consensus
- Consultation – when? With who?

Discussion



- Do we propose some kind of “matrix” for discussion and what would it look like?
 - A next steps model (as was discussed as the Salmon WG)
 - An options model (more like in the SCORE report)
- Is there a desired end-point within the PICFI time frame?

Where to From Here? *(from Salmon WG deck – do we need any of these questions??)*



- 3 years left of PICFI resources left.
 - Provides \$ to support advancing with defined shares (e.g. support for catch mon/reporting, new co-mgt approaches).
- Continue with incremental voluntary approach or provide more direction with resistant fleets?
- Logical next steps??