

*Science, Service, Stewardship*



# Rights-Based Management

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# Outline

- History of Fisheries Management
- RBM – A Possible Solution
- Types of Rights
- Challenges
- Where to Start





# Two Minute History of Fisheries Management Methods

- Open Access
- Input Controls (fishing effort management)
  - restricting intensity of gear use (vessels operations; types of gears; time/area closures)
- Output Controls (catch management)
  - Amount of fish coming out (tonnage, number, bag limits)
- Limited Entry
- Rights Based Management



# One Possible Solution: Rights-Based Management

- Types of Rights
  - Limited Entry
  - Fishing Capacity Limits
  - Catch Limits
  - Effort Limits





# Limited Entry

- Based on principal for exclusive access to a fishery for a group of vessels
- Pros
  - usually first management step (in establishing RBM )
  - prerequisite for buyback programs
- Cons
  - weak property right---only addresses access not the “race to fish”





# Fishing Capacity Limits

- Rights provided to fishing capacity: aggregate of rights equals total allowable capacity
- Pros
  - stronger form of RBM than LE (but built upon LE)
  - easy to monitor
  - prevents or reduces excessive capital investment
- Cons
  - not easy to measure vessel's ability to catch fish
  - unlikely to prevent overfishing
  - creates incentives to circumvent capacity limits



# Catch Limits

- Rights provided to harvest a defined proportion of the total allowable catch (TAC)
- Pros
  - strongest incentive to reduce the race to fish
  - can reduce overcapacity
  - creates conservation & economic incentives
- Cons
  - can create incentives to transfer effort to non-quota spp.
  - can contribute to discards and misreporting
  - greater MCS need



# Effort Limits

- Rights provided over fishing effort: total allowable effort (TAE)
- Pros
  - useful in complex, multi-species fisheries
  - useful for fish stocks/catches highly variable year to year
  - less demands for MCS
- Cons
  - less precisely defined right
  - may induce less industry exit
  - incentives to increase the TAE –  
needs to be accompanied with LE







# Greatest Challenges

- Achieving Consensus
- Allocation of Rights (most divisive and contentious part of RBM)
  - who gets the allocation?
  - what amount of rights to allocate?
  - which states receive allocated rights?
  - how to accommodate new entrants





# Recognition of Initial Winners and Losers

- Will always be asymmetric distribution of benefits and costs when property is created
- Ways to Overcome Resistance (i.e., achieve consensus)
  - buyback fishing capacity- may be necessary prior to initiating RBM
  - side payments – the “haves” compensate the “have-nots”
  - building off pre-existing arrangements

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Questions?