

An underwater scene with various fish and coral. The background is a light blue, hazy underwater environment. In the foreground, there are several fish: a large, dark-colored fish with a prominent dorsal fin in the center, a smaller, lighter-colored fish to its left, and a long, slender fish with a white stripe on its side to the right. The bottom of the frame shows some coral and rocky structures.

Limited Access Privilege Programs

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An underwater photograph showing a shark swimming in the upper left and a large, dark fish swimming in the middle left. The background is a coral reef. The image is partially obscured by a light blue vertical bar on the right side of the slide.

What is a LAPP?

- Fishery management program that allows each fisherman to catch a specific percentage of the Total Allowable Catch (TAC)
- Also known as an Individual Fishing Quota (IFQ) or Dedicated Access Privilege (DAP)
- SAMFC is using Limited Access Privilege Program (LAPP) so will use that here

An underwater scene on the left side of the slide. At the top, a shark is partially visible, swimming downwards. Below it, a large, dark-colored fish with a prominent eye is swimming towards the right. The background shows a coral reef with various types of coral and some smaller fish. The water is clear and blue.

How it works

- Each fishermen allocated a “quota share”, usually based on historical landings
- Quota share X TAC = LAP holder’s allowable poundage for the year
- LAP holder may sell quota share or buy additional ones from other fishermen

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Benefits

- Increased flexibility for fishermen: seasons can be extended or eliminated, gear restrictions can be lessened
- More stable prices for product; the market drives the harvest
- Simplifies regulations for managers (in theory)
- Reduced bycatch
- More profitable fishermen = increased chance they will be a permanent fixture on our coasts

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Drawbacks

- Fewer fishermen and crew in the water
- Difficult for new entrants to afford LAPs
- Consolidation can result in quota concentration in hands of a very few absentee owners, aka “corporate fishing”
- Fishermen can’t “hit it big”

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2006 Magnuson-Stevens

- Sec 106 sets forth goals of LAPPS, they
 - are revocable permits to engage in fishing and not a “property right” to any fish,
 - must assist in rebuilding stocks and other conservation goals,
 - must contribute to reducing capacity in the fleet, and must contain provisions for monitoring and reviewing the program periodically.



Summer Flounder Case

- Currently majority of commercial harvest caught by holders of License to Land Flounder license
- Non license-holders have a per-trip limit of 100 lbs, generally bycatch from shrimp and croaker
- LLF holders must wait for windows to open and close to prevent exceeding North Carolina's portion of the TAC

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Summer LLF Stats

- LLF in use have declined from 92 in 2001 to 72 in 2006
- 2,683 trips taken from 2001-2006, resulting in 22.1M lbs caught
- Most trips taken by any boat in any single year was 13.

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If trips were maximized...

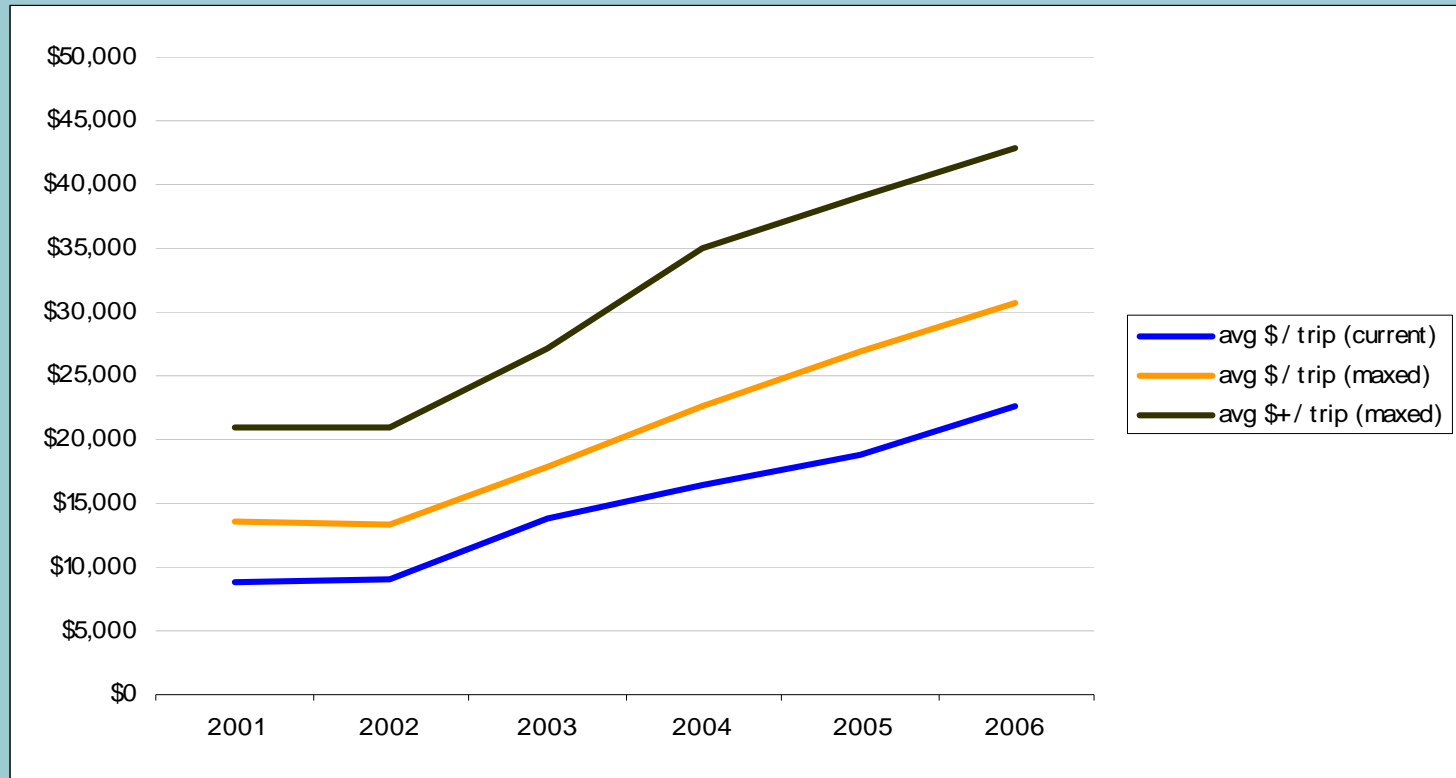
- Average landings/trip were \$8,236.
- If each boat had caught its maximum on every trip, would only have needed 1,893 trips, 30% fewer than actually took place.
 - Ex-vessel value per trip would have been \$11,672. Equates to a 41% increase in efficiency.

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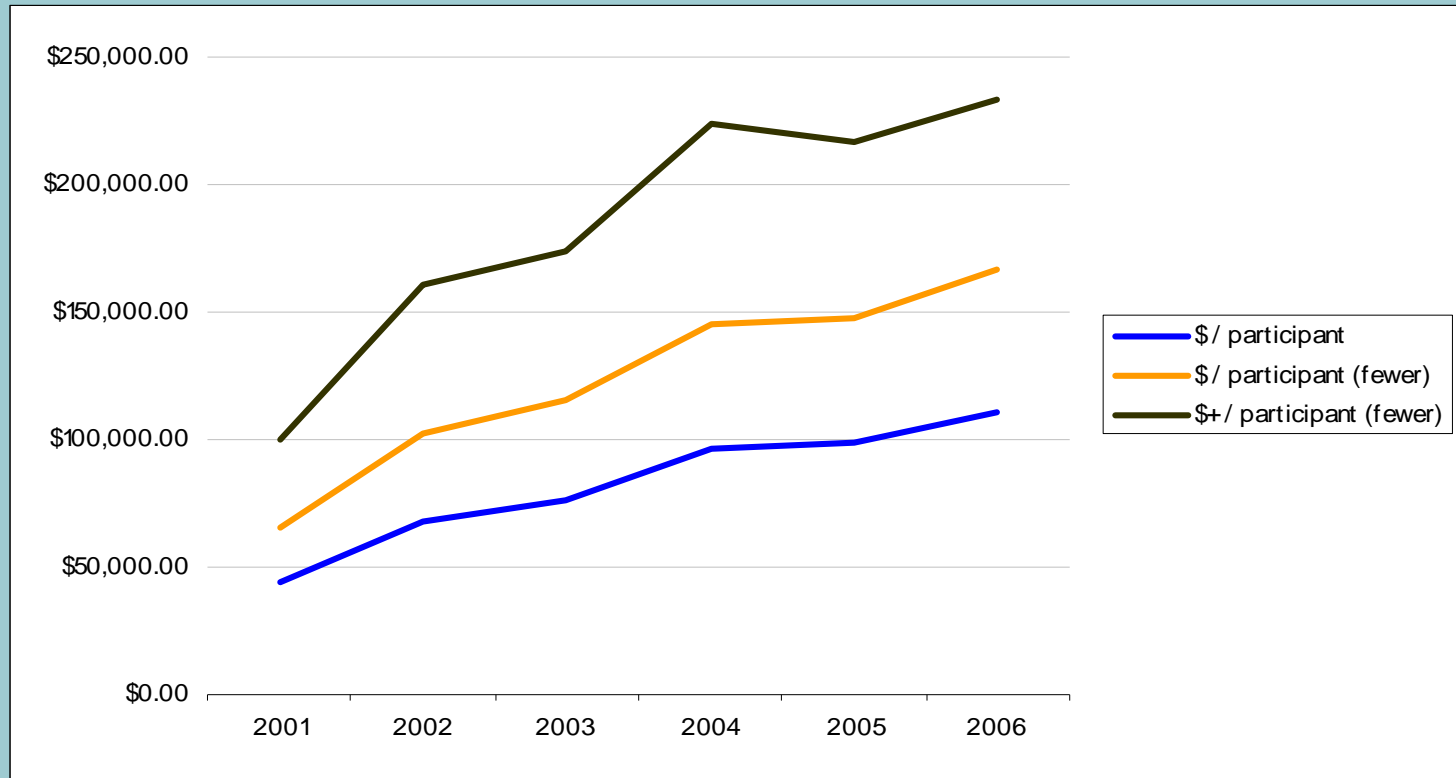
and LLF quotas traded...

- No one is forced to leave under a LAP program. Quota holders can sell or lease their shares.
- 20%-50% reductions in fleets are not uncommon, further increasing profits per boat.
- Seasons can be extended, preventing markets from flooding and driving down prices.

More profitable trips



More profitable owners



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Parameters for LAPP

The MFC would:

- still have to deal with allocation issues of recreational vs commercial
- still have to set TAC, including addressing needs of different groups of fishermen (small and large)
- need to decide the penalty for overages

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More parameters

- Need to design a transfer system for exchanging quotas, short-term and permanent
- Market efficiency versus “family fisheries”
- Benefits of underharvesting—carry LAP into next year?

Discussion

