U.S. Senate Commerce Committee

Hearing on

Reauthorization of the Magnuson-Stevens Fishery Conservation and Management Act: Oversight of Fisheries Management Successes and Challenges

Wednesday, August 23, 2017

Testimony of

Glenn Reed, President Pacific Seafood Processors Association

Chairman Sullivan, on behalf of member companies of the Pacific Seafood Processors Association, or "PSPA," I thank you for convening today's hearing on reauthorization of the Magnuson-Stevens Act. My name is Glenn Reed, and I serve as President of PSPA. Our nonprofit trade association represents the shared policy interests of nine seafood processing companies active in all major commercial fisheries in Alaska.

As you know, Alaska's commercial fisheries harvest more than 60% of all U.S. commercial fishery production. The U.S. economic output related to Alaska's seafood industry is about \$14.6 billion, with \$5.9 billion in economic activity in Alaska.

PSPA members collectively purchase and send to markets several hundred million pounds of fish landed in Alaska, including salmon, pollock, crab, cod, halibut, sablefish, and other fisheries that continue to achieve sustainable management under the Magnuson-Stevens Act, or "MSA." To do so, PSPA members have invested hundreds of millions of dollars in their operations, including 3 at-sea motherships and 31 shore-based facilities in 18 Alaskan coastal communities, from Ketchikan to Dutch Harbor. Our members support local economies, bolster the tax base of rural communities, and provide thousands of jobs and infrastructure in remote locations.

As a representative of the seafood processing sector in Alaska, I want to highlight the interdependencies between commercial harvesters and seafood processors, which define our role as key fisheries management stakeholders. The harvesting sector operates under management measures developed through the regional fishery management council process, and they must be able to sell their fish quickly and at a profit. PSPA members and other processors develop markets, buy those fish, and turn them into value-added products, yet the value of the product largely depends on consumer demand in highly competitive seafood markets around the world. The influence of global seafood markets on primary processors, including their ability to invest in capacity and equipment necessary to remain globally competitive, must be understood and considered in management decisions, in order to achieve optimum yield. Congress defined "optimum yield" as the harvest level that provides the greatest overall benefit to the nation, and it remains a core tenet of the MSA. Congress also defined "fishing communities" to include harvesters *and* processors, and this relationship is critical to realizing the benefits of optimum yield, which are further distributed throughout coastal communities and the Nation.

To sustain this system, which delivers healthy and affordable proteins to the world, PSPA members support management that ensures fisheries harvests are sustainable. This is the purpose of the MSA, and it has been remarkably effective. The council process promotes transparency, regionally-based decision-making, and inclusion of vital interests, which drives accountability. The mandate to utilize the best available science ensures that decisions are based on facts and evidence, which drives performance. Overall, the MSA is achieving its goals in the North Pacific and is not in need of reform. Of course, we recognize there are ways to further update,

2

improve, or streamline the Act. We also recognize there are regional differences that must be addressed and potential benefits of increased flexibility in some circumstances. But any changes should preserve and only build upon what already works in the Act.

As PSPA reviews and considers any changes to the Act, we are guided by the following principles and find that any changes should ensure the following:

- First, preservation and enhancement of stock assessments and surveys must be
 maintained or expanded. This serves as the basis for all fishery management plans.
 While this requires cooperation from Congressional appropriators, we find it is absolutely
 necessary for realizing optimum yield in all fisheries and responding to changes in stocks
 and the environment. New mandates included in any reauthorization should not come at
 the expense of reduced funding for fundamental stock assessment and survey
 responsibilities.
- Second, data utilized in stock assessments and surveys can and should come from many different sources, but they must continue to meet the high scientific standards demanded in any rigorous, peer reviewed process. The Act which already requires use of the best available science should not allow lower quality data to receive the same use in management, because doing so would have the effect of increasing sources of error and uncertainty.
- Third, flexibility is necessary for councils to address the unique and changing circumstances that arise between stocks, sectors, economies, environments, fishing communities, and other regional needs. Managers benefit from having more tools in the toolbox, and flexible, adaptable options for implementing them. The North Pacific has several examples of cooperative management programs that have benefitted from

3

flexibility, allowing for higher utilization, increased value, lower bycatch, reduced environmental impacts, and more responsive monitoring and management, largely driven by fishery participants in response to Council objectives. Sustainable fisheries should achieve optimum yield through flexible and adaptable performance-based management, not prescriptive regulation.

- Fourth, any rigid mandates directing how management must be conducted should target specific needs without setting broader precedent. Congress should avoid across-the-board mandates in order to solve a specific problem in one region.
- Fifth, management systems and regulatory processes should be streamlined to the greatest extent possible. Any unnecessary duplication of analyses or extra administrative steps that do not add value should be minimized. Sources of unnecessary cost, delay, and uncertainty must be avoided.
- Sixth, council management systems should be transparent and promote accountability. Reasonable public access to and fair representation by participants that operate in fisheries regulated by the Council is vital for achieving more effective outcomes, as well as maximizing stakeholder support of those outcomes.
- Finally and by no means the least important we find that any changes to MSA should not erode the core tenet of ensuring sustainable harvests. Almost all of Alaska's fisheries are certified as sustainable through various international benchmarking programs, due in large part to the governance systems at state and national levels. All U.S. fisheries that have achieved the goal of sustainability must not backtrack, because doing so would not only affect thousands of fishery-dependent businesses, but it would harm consumer confidence that is increasingly important to seafood buyers around the world.

4

In closing, I'm grateful for the opportunity to share our input with you, and I applaud your efforts to ensure that the MSA remains the bedrock of sustainable fisheries management. I look forward to your questions.