

ADVISORY PANEL
Motions and Rationale
Dec 3-5, 2025

C2 Crab C Shares Motion

The AP recommends Council take final action on the BSAI Crab C-Shares agenda item with both Alternative 2 and Alternative 3 as the final recommendation. Specifically, under Alternative 3, the AP recommends the BBR, BSS, EBT and WBT C-Share use caps be raised to 3.5%, while SMB and PIK C-Share use caps remain unchanged at 4%.

Motion passes 19-0

Rationale in Support of Motion:

- Taking this action will increase flexibility and opportunities for new entrants and promote more economic stability – one of the key objectives of the CR program.
- Challenging times observed during, and after, the pandemic, low harvest levels and closed fisheries with fewer vessels and therefore crew positions, participating in the fisheries has had a chilling effect on new entrants.
- The market for c-shares is weak and demand is low (little to none).
- This action would more closely mirror the new regulations for maintaining c-shares and retains the requirement to be a participant in the CR Program fisheries to keep that tie with crab fisheries.
- It will provide an alternative outlet for a CR Program crewmember to achieve the 150-day threshold for commercial fishing experience. It may increase opportunities for active CR program fishermen by increasing flexibility around C share requirements and encouraging new entrants, relative to no action.
- It would be particularly advantageous when harvesting crewmember opportunities are reduced, or for crewmembers who have primarily had tendering employment opportunities and experience.
- Tendering experience has been a common way for CR Program fishermen to begin working on a crab vessel.
- Both Alternatives provide more avenues and opportunities for C share markets to stabilize, compared to the status quo. Selecting only one alternative or another will only provide limited relief and response to the P&N. So, both alternatives 2 and 3 are appropriate.
- Increased demand & prices could motivate and enable current C share QS holders to initiate the sale and transfer of their currently held QS, creating additional churn in the QS holder pool
- A 3.5% use cap was chosen for BBR, BSS, EBT and WBT to address potential concerns or provide a compromise for those who are concerned about excessive consolidation. While most participants believe the cap should be increased, unanimous consent was not reached on what the cap should be. Again, this is why I chose a compromised position.
- Alaska Bering Sea Crabbers' anonymous member's poll was fairly evenly distributed. About 2/3 of respondents wanted 0-5% increase, or alternatively, 2/3 wanted 5-10% increase.

- It is important to distinguish between the C-Share market and the ROFO program. Both markets have been stale for several years and are very different programs. However, they both indicate the level of interest by captains and crew to invest in the fishery is currently extremely low. ICE has administered the ROFO program at its own cost for all stakeholders (not just ICE members) since the program's inception. The program still exists but has suspended in recent years due to no interested parties signing up for the program. It can be reinstated at any time.
- This motion is responsive to public testimony.