

May 12, 2017

Daniel Shewchuk
A/Chairperson
Nunavut Wildlife Management Board
PO Box 1379
Iqaluit, NU
XOA 0H0

Re: Intent to Issue Call for Multi-Year Applications for Offshore Commercial Fishery

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**** (709) 579.3278 **** (709) 579.3304 harry@arcticfisheryalliance.com Dear Mr. Shewchuk,

Arctic Fishery Alliance (AFA) is writing in support of the Nunavut Offshore Allocation Holders Association (NOAHA) position in its letter dated May 8, 2017 that expresses strong objections to the Nunavut Wildlife Management Board's (NWMB) intent to issue a Call for Applications under the Allocation Policy for Commercial Marine Fisheries. As a member of NOAHA, we fully endorse the position of the industry and are taking this opportunity to expand on these concerns.

As we have repeatedly stated in our submissions and letters to the NWMB for the last six months, issuing a Call for Applications under the existing Allocation Policy simply does not make sense. Every stakeholder involved in Nunavut's fisheries allocation process has publicly acknowledged that the *Allocation Policy for Commercial Marine Fisheries* as it is currently written does not meet its own goals for transparency and objectivity. The Policy's allocation guidelines are ambiguous, and its evaluation process is subjective and requires quantifiable metrics. Two Calls for Applications have already been issued and objected to by industry on these grounds since the last Policy review workshop. Why is a third being considered when these valid concerns remain outstanding?

Despite industry and other stakeholders' best efforts to participate in and support the review process, the Policy is still undergoing revision. No drafts have been circulated to date – even though the last workshop took place nearly eight months ago. These delays are not the fault of industry, and yet we will again be forced to bear the risks of being penalized in our quota applications due through the continued use of a subjective evaluation process.

AFA urges the NWMB to reconsider its proposed intent to initiate the multi-year allocation process until the Policy is revised and endorsed by all stakeholders. If the very mechanism by which allocations are to be determined (*i.e.* the Allocation Policy)

has been publicly recognized as ambiguous and subjective, we sincerely question how the allocation process can be considered "fair, open and transparent". It is inevitable that the credibility and legitimacy of any NWMB recommendation for the allocation of multi-year turbot and shrimp quotas will be called into question.

Under the Nunavut Agreement (Sections 5.3.7 to 5.3.23), the NWMB is obliged to properly follow its co-jurisdictional decision-making processes. However, the Allocation Policy is only "intended to complement the directions set out in the Agreement" (NWMB letter dated July 29, 2016). The Policy is therefore a tool to assist in the implementation of the Agreement, not a requirement of the Agreement. Continuing to use this tool when it is collectively acknowledged to be flawed exposes any recommendation to criticism, Ministerial appeal and possibly legal action.

Furthermore, AFA is still waiting for a response to its letter dated March 24, 2017 that called for an audit of the 2015 allocation process for multi-year quotas. This entreaty was supported by Cumberland Sound Fisheries Ltd as well as Baffin Fisheries. Specifically, we requested that the NWMB "correct the flaws associated with the 2015 application process to ensure the revisions to the *Allocation Policy for Commercial Marine Fisheries* result in an application and evaluation process that has integrity and independence". The 2015 allocation process deviated from the Policy in significant ways:

- 1. Privileged information was provided to one enterprise
- 2. Rationales for the FAC's recommendations were not provided
- 3. Direct interference in NWMB decision-making
- 4. No written rationale was provided by the Minister
- 5. Lawful rights of Nunavut decision-makers were not respected

Given that we are still waiting on a response to this letter, we have no choice to repeat our request that the allocation procedures guarantee fairness and balance to all applicants, where recommendations are justified and decision-makers are held accountable.

AFA continues to look forward to cooperatively working with the NWMB to revise the Policy to achieve fairness, balance, transparency and accountability. However, until the ongoing review of the Policy is completed and the existing ambiguities and subjectivity are corrected, we strongly advocate for a rollover of the current allocations. We hope that the NWMB understands this is the only possible recommendation that will be perceived as legitimate and equitable until the Allocation Policy is revised.

Respectfully,

Jaypétee Akeeagbk

Chairman, Arctic Fishery Alliance