



December 15, 2009

### ***Certificate Sharing Agreement for AFDF Pacific Cod MSC Certification***

The AFDF Pacific cod working group was originally formed beginning in early 2006 to investigate the cost/benefit of seeking MSC certification of sustainability for all sectors of the Pacific cod fishery in Alaska. Additional members were added to the group through mid 2007 in an effort to have all gear types represented. By that time, AFDF had contracted with Moody Marine International for a confidential pre-assessment report. Receiving positive indications in the pre-assessment report for all gear types (Longline, trawl, pot and jig) in both management areas (BSAI & GoA) to move forward to full assessment, the task for AFDF at the time was to work out a cost-sharing arrangement that was agreeable to all participants in the working group. In August 2007, an agreeable cost-sharing agreement was worked out based on relative harvest percentages by sector. The working group convened a teleconference on August 29, 2007 to discuss certificate sharing. There was agreement among working group members that the AFDF certification effort was to be inclusive, as opposed to exclusive; meaning the surcharges for joining later were not meant to be onerous to exclude additional membership. The following structure reached consensus by the working group.

- Companies/Fishing Groups that were original working group members signing letters of commitment before October 15, 2007 would pay their pro rata share based on the cost-sharing worksheet.
- Companies/Fishing Groups signing letters of commitment after October 15, 2007 but before completion of the certification process would pay their pro rata share plus a 10% of sector cost surcharge. Surcharge revenue to be rebated to sectors members.
- Companies/Fishing Groups signing letters of commitment after completion of the certification process would pay the pro rata share plus a 20% of sector cost surcharge. Surcharge to be rebated to sector members.

This certificate sharing structure is meant to give transparency to the certificate sharing process and will be submitted with the final Public Certification Report for all 8 sectors of the Pacific cod certification.