Marine protected areas under effort-control management

NCEAS-Future Earth Working Group

Villaseñor-Derbez J.C.¹ Lynham J.² Costello C.^{1,3}

¹Bren School, UCSB

²Department of Economics, UHM

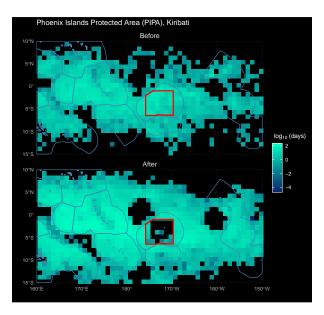
³emLAB, UCSB

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Outline

- ► Scope of the project
- Approach: model and assumptions
- Data
- Generalizability to Palau

Background



Scope and Motivation

- For the countries:
 - ▶ What are the costs associated to establishing an MPA?
 - What factors drive these costs?
 - How can these costs be reduced or eliminated?
- For the fishing vessels:
 - How do they respond?
 - ▶ Where do they go?

Approach

- ▶ 10-patch model of the fishery (9 patches under VDS, one patch under Open Access)
- ▶ Vessel-level profits for fishing in patch *i* are:

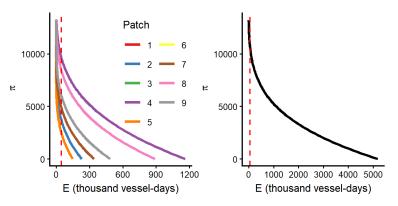
$$\Pi_i(E_i, X_i, R) = pqE_iX_i\Omega_i - cE_i^{\beta}$$

- ▶ In patch 1, $\Omega_1 = \theta + (1-\theta)(1-R)$
- $\Omega = 1$ for patches i > 1
- ▶ Vessel-day price must equate the marginal profits from the last unit of effort in patches i = (1, 9)

$$\pi_i(E_i) = pqX_i\Omega_i - \beta cE_i^{\beta-1}$$

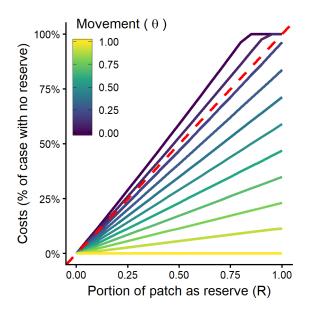
Approach

- ▶ Effort is capped at 45,000 vessel-days (\bar{E})
- Measure country-level demand curves
 - No trading: price is patch-specific
 - Trading: price is the same for all patches

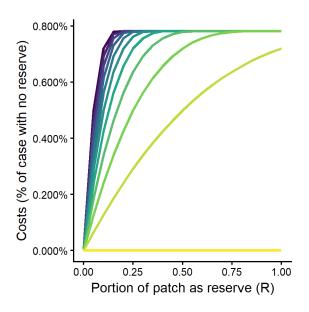


Approach

Less movement increases costs



Vessel-day trading reduces costs



Allocation rules matter

What can we learn from PIPA

- ▶ Implemented in January, 2015
- ▶ 397,447 Km²
- ▶ 1.5 times area of Ecuador
- ▶ ~2% of total PNA area
- ► ~10% of fishing activity in PNA

Generalizability to Palau