

GROUND FISH MANAGEMENT TEAM REPORT ON
AMENDMENT 20: TRAWL RATIONALIZATION ALTERNATIVES (TRAWL
INDIVIDUAL QUOTAS AND COOPERATIVES)

Introduction

The Groundfish Management Team (GMT) received a report at their October meeting from Council staff on the current suite of trawl rationalization alternatives being considered. Specifically, the GMT focused on the analytical scenarios that are intended to illustrate the impact of a trawl rationalization program and highlight the key decision points within the alternatives. The GMT also discussed the concepts of rare species auctions and area management, and offers the following comments.

Rare Overfished Species Auctions

The GMT was presented with a new approach for dealing with severely constraining overfished species. This sub-option has not been considered in previous suites of alternatives, but could provide a mechanism for managing catches of rare overfished species (i.e., species with very low optimum yields [OYs], such as yelloweye and cowcod) that might otherwise confound a market-based individual quota (IQ) system. While status quo methods for responding to “disaster tows” (expansion of Rockfish Conservation Areas or area closures), would still be available, a mechanism is needed to prevent severe harm to any individual fishing operation. For example, a vessel that experienced a large encounter of a species for which a very restricted amount of quota is available may be unable to cover that quota in the foreseeable future. This situation might be avoided by auctioning some portion of needed quota periodically throughout the year to vessels holding a deficit, rather than allocating quota at the beginning of a season. Likewise, utilizing area closures for areas of highest bycatch (i.e., hotspots) might reduce the frequency of high bycatch tows, thus reducing the number of fishermen in need of auctioned quota pounds.

In order to provide the program with enough flexibility and minimize harm to a given individual, quota would need to be auctioned often enough that a vessel does not have to stay tied up for too long due to a deficit. This may require reevaluation of program performance to set the appropriate frequency of auctions. For example, if quarterly auctions result in many vessels waiting to cover needed quota, bi-monthly auctions might be more appropriate. Likewise, available data should be analyzed to examine whether there is a seasonal component of a species’ availability and adjust the amount of quota or frequency of auctions accordingly. There may also be legal implications if a given permit holder loses a number of auctions such that the time off the water becomes overly punitive. A system similar to some states’ limited hunting license programs, wherein an individual becomes more likely to win subsequent auctions, may be one way of ensuring the vessels are not overly penalized for encountering relatively rare species. Finally, any such system would need to be revised as species move from more to less constraining. At some point a species would rebuild to levels that make an auction system obsolete and an IQ system more appropriate.

Area Management

Currently, the Council uses latitudinal and depth-based spatial management measures, as well as gear restrictions, to achieve area management objectives. If implemented as currently specified, trawl IQs may result in catch being more concentrated in smaller areas than under status quo.

This is because the current alternatives allocate the IQ of groundfish stocks according to the Council's acceptable biological catch/OY table and the result of this level of spatial management would be a departure from existing cumulative limit management which separates the fishery into as many as three latitudinal areas (i.e., north and south of 40° 10' North Latitude and between 38° and 40° 10' North Latitude). As the existing alternative moves forward, there may be a further increased need for spatial management measures, perhaps in a manner different than status quo.

The GMT is concerned that the implementation of an IQ program could result in spatial concentration of fishing effort. The GMT reiterates its recommendation that IQ be allocated on a more refined spatial scale than is currently being considered (see Agenda Item E.9.c, GMT Report, June 2007). In doing so, the GMT notes that care should be taken to balance biological objectives with economic objectives. Management at an overly fine scale of resolution is likely to reduce the flexibility necessary for fishers to profitably harvest groundfish and to adapt to changing conditions. However, area management at too broad a level of resolution may result in a localized concentration of effort that has adverse biological impacts or negative economic impacts on vulnerable coastal communities. In addition to biological and economic impacts, area-based quota shares could substantially increase program complexity – and therefore administrative costs – because each area is likely to require specific quota shares by species and rules that govern the quota shares held by permits operating in those areas.

While the GMT believes that work should continue on the appropriate resolution of area management, in the interim, establishing an IQ system that separates groundfish stocks north and south of 40° 10' North Latitude (e.g., based on average fleet catch history in each area during the 1994-2003 period) – and allocates individual fishing quotas accordingly – would provide an appropriate balance between biological, economic, and administrative objectives until a more appropriate set of areas can be established.

GMT Recommendations

1. Include a sub-option in the alternatives for analysis that would auction quota of rare overfished species to vessels with a deficit rather than allocating quota up front.
2. Include a sub-option that would specify area-specific quota north and south of 40° 10' and refine those areas as new information becomes available.

PFMC
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