

FISHERY MANAGEMENT PLAN AMENDMENT 21 - INTERSECTOR ALLOCATION

The Council has pursued a Groundfish Fishery Management Plan (FMP) amendment (Amendment 21) in consideration of formal allocations of groundfish species and species' complexes for sectors of the groundfish fishery since initial scoping in 2004. Intersector allocations are needed to support rationalization of the limited entry trawl fishery (Amendment 20), implementation of FMP Amendment 18 bycatch mitigation policies, and development of biennial groundfish specifications and management measures. While all these initiatives are important, intersector allocations are critical to effectively implement the trawl rationalization program since the initial allocation of quota shares (QS) requires a sector allocation. Further, many of the decisions by QS holders in the rationalized fishery, such as buying, selling, or leasing QS, would be benefitted by longer term business planning than can be afforded by the short-term sector allocations typically decided in the biennial specifications and management measures process. Thus, the Council has refined the focus of this allocation amendment to just trawl dominant species and those species necessary for successful rationalization of the trawl fishery.

There are five decision points considered in this action: 1) decide long-term trawl and non-trawl allocations for species subject to Amendment 21 allocations; 2) decide the initial sector allocation of species to be managed using individual fishing quotas (IFQs) to the shoreside whiting and shoreside non-whiting trawl sectors; 3) decide yield set-asides for bycatch species in the at-sea whiting fishery; 4) decide a total catch limit for Pacific halibut bycatch in trawl fisheries; and 5) decide how future sector allocations and potential re-allocation of Amendment 21 species will be decided.

A preliminary draft environmental impact statement (DEIS) is provided (Agenda Item F.3.a, Attachment 1). The trawl and non-trawl allocation alternatives and analyses in the DEIS are informed by a mix of historical landings (1995-2005) and total catch (2003-2005) data. A new intersector allocation alternative recommended for analysis by National Marine Fisheries Service (NMFS) and the Groundfish Allocation Committee (GAC) (Agenda Item F.3.b, GAC Report) is also described in the DEIS, as well as a GAC-recommended alternative for trawl and non-trawl allocations. The analysis of the new intersector allocation alternative recommended for Council consideration by NMFS and the GAC is provided in a supplemental NMFS report (Agenda Item F.3.b, Supplemental NMFS Report on Intersector Allocation).

The DEIS also analyzes alternatives for deciding initial allocations to the shoreside whiting and shoreside non-whiting trawl sectors. Under the Council's Amendment 20 trawl rationalization decision, the two shoreside trawl sectors will be combined into one sector and managed with IFQs. However, an initial allocation to both shoreside sectors is needed to make the initial allocation of QS to eligible participants in the shoreside trawl sector. Likewise, analysis of the historical bycatch observed in the at-sea whiting fisheries is provided to inform the decision on yield set-asides required to prosecute those fisheries under trawl rationalization. The shoreside allocations and at-sea sector set-asides would apportion the overall trawl allocations decided in the first decision step described above.

The Council has also decided to consider a total catch limit of Pacific halibut for managing trawl bycatch of this prohibited species in the intersector allocation process. The Council's intent is to establish an initial bycatch limit of Pacific halibut for the rationalized trawl fishery and further reduce this bycatch over time to allow a greater allocation to directed commercial and recreational halibut fisheries in Area 2A (i.e., waters off Washington, Oregon, and California). Originally, two Pacific halibut total catch limits were decided for analysis based on the 2005 and 2006 estimated trawl bycatch as a percentage of the Area 2A constant exploitation yields (CEYs) specified for those years. In November 2008, under the Amendment 20 trawl rationalization decision, the Council decided to limit Pacific halibut bycatch to 10 percent of the Area 2A CEY. The GAC therefore recommended dropping these alternatives from the Amendment 21 analysis. However, at the March 2009 Council meeting, a fourth Pacific halibut total catch limit alternative was decided for analysis and characterized as preliminary preferred. Therefore, the DEIS provides analysis of all four alternatives for final action at this meeting.

Finally, the Council may wish to decide how future sector allocations are decided, including any future reconsideration of Amendment 21 species' allocations. Options could include specifying formal allocations in the FMP, which would require an FMP amendment to change, or frameworking the allocation process in the FMP to allow consideration of formal allocations within the biennial specifications and management measures process, which would require a less burdensome regulatory amendment. Council staff recommends maintaining the FMP provision that formal allocations are automatically suspended if a stock with a formal allocation is subsequently declared overfished. In this circumstance, sector allocations can be decided in the development of a rebuilding plan.

The Council task at this meeting is to adopt a final preferred intersector allocation alternative for analysis.

Council Action:

- 1. Adopt a final preferred intersector allocation alternative for trawl and non-trawl allocations.**
- 2. Adopt a final preferred alternative for shoreside whiting and shoreside non-whiting trawl sector allocations.**
- 3. Adopt a final preferred alternative for yield set-asides for bycatch species in the at-sea whiting sectors.**
- 4. Adopt a final preferred alternative for Pacific halibut total catch limits in the trawl fishery.**
- 5. Decide how future sector allocations are decided.**

Reference Materials:

1. Agenda Item F.3.a, Attachment 1: Allocation of Harvest Opportunity Between Sectors of the Pacific Coast Groundfish Fishery; Chapters 1, 2, and 4 of the Preliminary Draft Environmental Impact.
2. Agenda Item F.3.b, GAC Report: Groundfish Allocation Committee Report from January 2009 Regarding Intersector Allocation: Amendment 21.
3. Agenda Item F.3.b, Supplemental NMFS Report: NMFS Report on Alternative 4 in the Intersector Allocation EIS on Amendment 21 to the Groundfish FMP
4. Agenda Item F.3.c, Public Comments.

Agenda Order:

- a. Agenda Item Overview
- b. Reports and Comments of Management Entities and Advisory Bodies
- c. Public Comment
- d. **Council Action:** Adopt Final Preferred Alternative

John DeVore

PFMC
03/23/09