

Agenda Item F.2.d
Supplemental Public Comment PowerPoint 1 (EDF)
June 2017

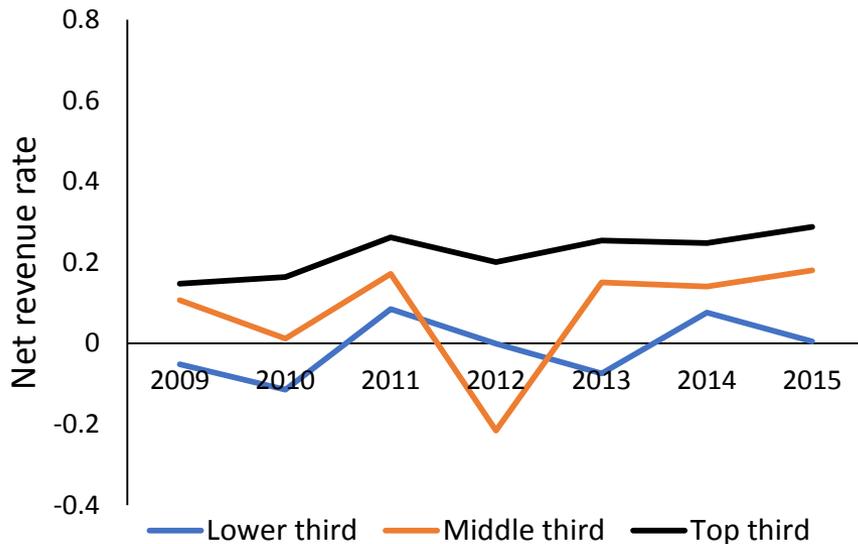
EDF Comments on 5 Year Review



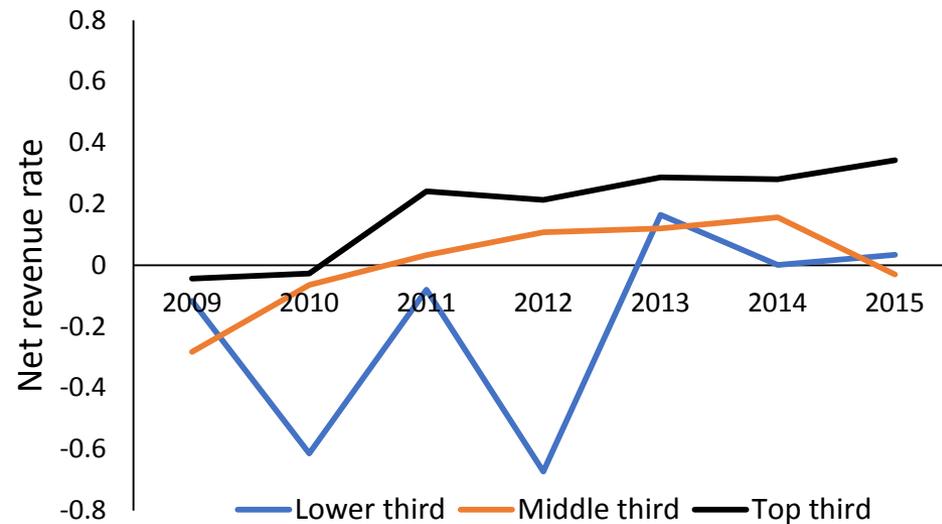
The trawl IFQ program could be performing better economically

Only **some** vessels experienced increased profit rates

DTS trawl profit rates



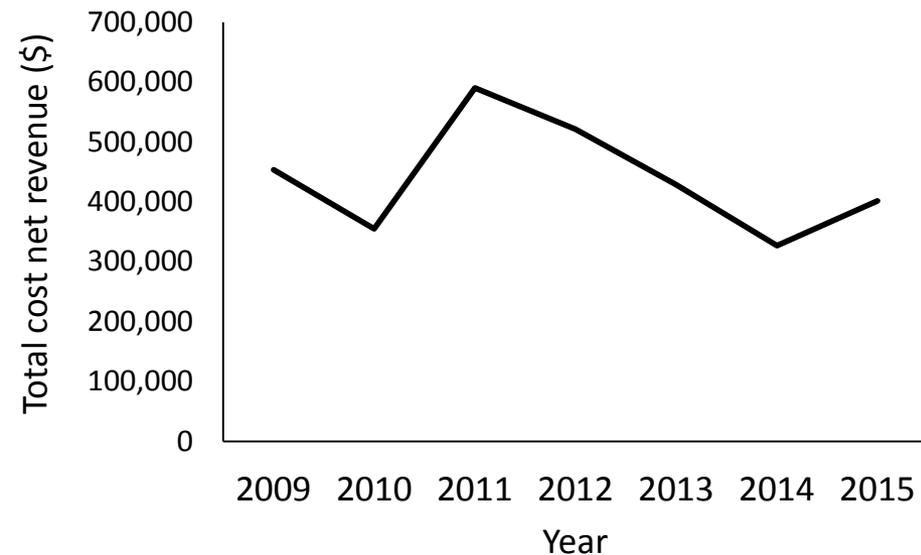
Non-DTS trawl profit rates



The trawl IFQ program could be performing better economically

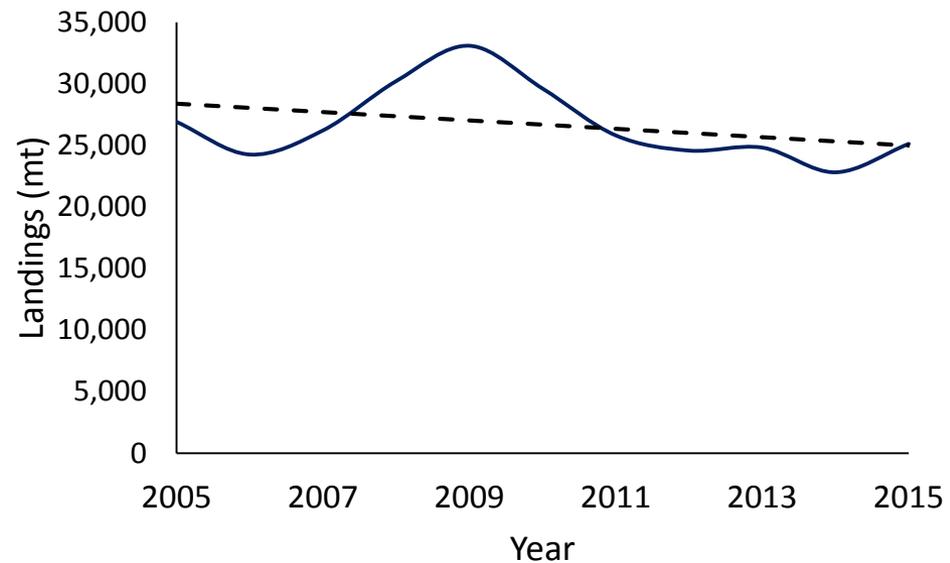
Many processors' revenues have not improved

Average Non-whiting processor total cost net revenue by year



Non-whiting landings have decreased

Annual Non-Whiting Landings (2005-2015)



Overarching theme of our recommendations:

Enhance capabilities of the market

- Regulatory system in which IFQ operates is overly complex
 - Quota market has great difficulty handling very small IFQ allocations
 - Policies that support specialization and harvester-processor coordination can open opportunities further up the supply chain
- 

Simpler systems are more conducive to markets and business planning. The trawl IFQ program is very complex.

Potential ways to simplify IFQ program could include:

1. Removing the daily limit for OFS

→ Our experience shows the daily limit isn't doing anything

2. Eliminate the requirement to transfer to vessel account

→ Administrative complexity that is not helping achieve original objectives

3. Consider simplifying, or doing away with, aggregate limit

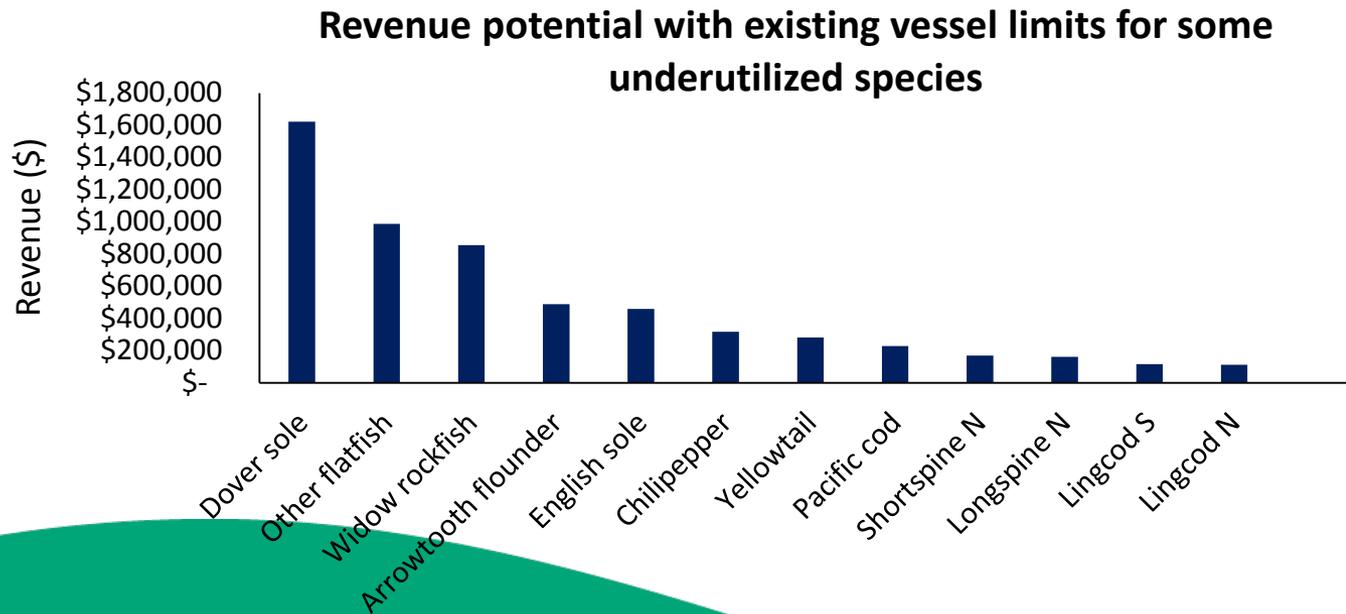
→ Limits on key target species may prevent the need for aggregate limits



Most west coast groundfish can be described as a generic whitefish with many product substitutes.

→ Difficult to enter the market in order to sell harvested fish

We can create opportunities for increasing supply of groundfish in the market by allowing for specialization via increases in some accumulation limits



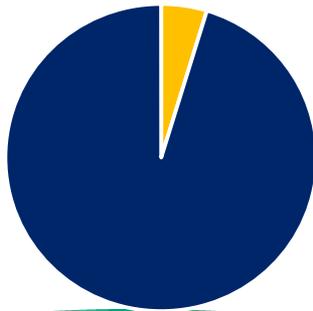
The quota market is unable to effectively deal with the very small allocation of Yelloweye

Economic strain doesn't result in management or conservation benefits

Consider a management approach to improve economic opportunity while limiting Yelloweye catch:

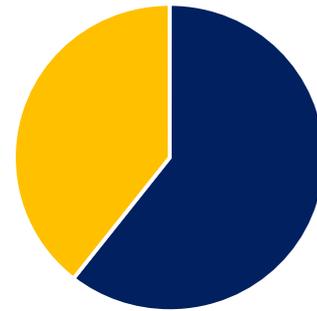
1. Small total catch cumulative limit
2. Incorporate Yelloweye into an IFQ complex with other species

Trawl sector catch versus remaining allocation



■ Sector Catch ■ Remaining

Yelloweye Catch from all sectors



■ Total catch ■ Remaining ACL

Concluding remarks

We recommend the following additional analyses to allow for improved market effectiveness:

- Ways to simplify IFQ program regulations
- Increased accumulation limits for underutilized species
- Consideration of alternative management measures for Yelloweye

Note: We recommend changes to RCA and gear package first and foremost

