

GROUND FISH ADVISORY SUBPANEL REPORT ON TRAWL CATCH SHARE REVIEW,
PRELIMINARY RANGE OF FOLLOW-ON ACTIONS, AND INTERSECTOR
ALLOCATION

The Groundfish Advisory Subpanel (GAP) received an overview of this issue from Dr. Jim Seger. We offer the following comments and recommendations.

In general, the GAP supports the Community Advisory Board (CAB) statement. Like the CAB, the GAP wishes to highlight that is critical to expedite completion of actions currently underway in the Council forum or awaiting implementation by the National Marine Fisheries Service (NMFS). As an overarching consideration, and similar to the CAB approach, the GAP believes that the initial list of potential issues should focus on program modifications that offer the best potential to yield significant program benefits in the short term.

For our specific recommendations, we worked from the CAB Report ([Agenda Item E.7.a, CAB Report 1](#), September 2017). Where we offer no specific recommendation, we support the CAB statement.

1. Meeting the At-Sea Whiting Fishery Bycatch Needs

The GAP supports the minor modification the CAB made to the purpose and need statement. As a high priority, the GAP further supports the CAB statement that item 1a (set-asides) and item 1b (ACL increases) provide the best short term opportunities to help meet at-sea whiting bycatch needs. The GAP agrees that the remaining items should remain under consideration as possible methods of meeting at-sea whiting bycatch needs in the future.

2. Trawl Sablefish Area Management

The GAP makes no suggestions on the purpose and need statement.

The GAP offers several additional alternatives in no particular order:

1) Remove the line, and allocate quota from the now merged sablefish quota management areas as per the regulations.

The rationale for this alternative is to make more sablefish available to the IFQ program. The southern quota has been consistently underharvested. Sablefish should be allocated as per the current regulations which can be accomplished during the biennial specifications process. The fish should be available to trawl permitted vessels using either fixed or trawl gear without limitation.

Alternatives 2 and 3 are not mutually exclusive.

2) Remove the line but cap fixed gear attainment of quota.

Rationale: Fixed gear attainment of trawl IFQ sablefish has resulted in a historic decline in trawl sablefish harvest that has contributed to a 14-17 million pound per year decline of bottom trawl dominant species that sablefish is essential in helping bring to the dock (these are all groundfish species except hake, widow, yellowtail, petrale, and sablefish itself). Dozens of full time processor

jobs are missing from coastal communities as a result. Simply removing the line could increase fixed gear participation and attainment along with corresponding negative impacts, so a cap on fixed gear attainment is necessary to mitigate this issue while the Council works on a solution to the gear switching problem. An industry letter (Agenda Item E.7.b, Supplemental Public Comment 3) details the loss in percent of sablefish attainment by trawl gear and the loss in bottom trawl catch under catch shares.

3) Remove the line but set the coast-wide vessel limit at no greater than 3.4 percent.

Rationale: A 3.4 percent coastwide vessel limit is similar in poundage to a northern 4.5 percent limit. The GAP acknowledges that some fishermen may be over this cap and that the issue will need further analysis.

3. Revising Shoreside IFQ Accumulation Limits

The GAP believes that the bookends described by the CAB (1. no action, and 2. An aggregate cap equal to the sum of the individual species limits) provide an adequate range.

4. Meeting Shoreside IFQ Sector Harvest Complex Needs

The GAP supports the CAB statement.

5. Gear Switching

The GAP had a wide-ranging discussion on this issue, and decided that the most constructive approach is to provide a variety of new alternatives on this issue. These alternatives are offered with no priority or consensus, but instead in the spirit of developing a broad range of alternatives.

1) No action

Rationale - The program is working as designed. Net revenues to trawl vessels in the review period have increased compared to pre-catch shares, discards have declined, consolidation in the number of trawl vessels fishing has occurred as intended, and gear switching has been implemented. Sablefish has been available to the entire fleet as evidenced by the fact in each year of the program, hundreds of thousands of pounds of sablefish have not been caught.

Trawl permitted vessel owners, whether with fixed gear or nets, have made business decisions in the last 7 years suited to their operations; whether it has been by fishing their quota, leasing it or selling it, and continue to do so. Limiting gear switching in any way would interfere in the marketplace and would serve to re-allocate fish to trawl net fishermen without justification.

2) Set a control date of July 28th, 2017, as recommended by the CAB, or some later date in 2017 to accommodate current participation, with the intent to give notice to the public that any future landings may not be counted toward participation in gear switching

Rationale - In the event the Council wishes to slow down or limit an increase in gear switching, this is the least disruptive option to current participants.

3) Set a control date and create a gear endorsement for FG on the trawl permit, with a window period ranging from 2011-2017, or some shorter period to qualify, and a significant poundage landed

Rationale - This option is similar to the creation of a limited entry program and would limit participation to those who have made a significant investment and participation in the fishery.

It should be noted that in Agenda Item E.7.a, NMFS Supplemental Report, NMFS advises that changes to permit classification would be relatively straightforward, and present fewer challenges and costs to implement, than changes to classification and use of quota pounds.

4. Set a control date of July 28th, 2017, as recommended by the CAB, or some later date in 2017 to accommodate current participation, along with a minimum catch requirement during a window to demonstrate significant participation in the fishery. Only allow 50% of a vessel cap to be harvested with fixed gear. Any remainder needs of a vessel cap needs to be harvested with trawl gear.

Rationale – This accommodates fixed gear participation while providing additional sablefish to the trawl sector.

The trawl permitted fishermen on the GAP using fixed gear offer the following general comments to the trawl alternatives under gear switching. Trawl permitted fishermen using nets for the last 7 years have sold and leased their quota shares, including sablefish, to many entities. Their alternatives that now include "caps" are designed to diminish those same fishing use privileges, in order to limit and exclude trawl permitted fishermen using fixed gear. Any "cap" on landings of trawl IQ fish by fixed gear will create a race for fish, and also decrease the value of the trawl permits and quota share fished by trawl-permitted fishermen using fixed gear.

Alternatives 5 through 7 all include some type of aggregate cap and do not create a race for fish.

5) Fixed Gear Quota Pound Cap

- a) Plan Framework: First, set a fixed gear attainment aggregate cap percentage; for example, 20 percent. 80 percent of quota pounds will be designated as trawl only. The other 20 percent fixed gear eligible, but can be harvested with trawl gear. Next, every year, all QS owners receive 20 percent of their sablefish QP as fixed gear eligible and 80 percent trawl only. For those who want to harvest more than 20 percent of their quota with fixed gear, they can trade with others and acquire up to the vessel limit. Only vessels designated as active trawlers in IFQ catch shares are allowed to participate in gear switching.
- b) Active trawler definition: To be designated an active trawler in a given year, a vessel will have a bottom trawl declared catch of total IFQ groundfish species exceeding a certain amount; for example, 100,000 lbs. There could be species not counted towards that 100,000 lbs, such as primarily mid-water caught species and sablefish itself.
- c) Active trawler exemption: Vessels that have participated in IFQ gear switching to this point would receive an exemption from the active trawler requirement. The exemption remains until a majority of vessel ownership permanently leaves the fishery.

- d) Taper: A seven year taper could also be used with this alternative. Start at a 28% cap and taper down 2 percent a year to 16 percent.

Rationale: See rationale for alternative 2 under “Remove the line but cap fixed gear attainment of quota.” Catch Shares is a trawl fishery, and this option takes the program back in that direction. This option provides an aggregate cap that will allow sablefish accessibility and stability so the bottom trawl groundfish fishery can rebuild, catch millions of more pounds of associated catch per year, and add back the dozens of processor jobs that have been lost. The industry letter signed by 27 fishing vessels and five processors detailed the reasons that shortages of sablefish inhibit the fishery well beyond just the dollar value of the sablefish, and access to sablefish leverages benefits far beyond the dollar value of the sablefish. The vast majority of sablefish left uncaught at the end of the year has been purposefully left uncaught so that it could be carried over to the next year.

6) Aggregate Soft Cap

First, an aggregate cap is defined; for example 12 percent. Then that aggregate cap is used at the beginning of each year to define a fixed gear attainment vessel limit by first assuming participation will be the same as the previous year. Next, calculate fixed gear attainment vessel limit to target the aggregate cap. This would not result in a race for fish. The active trawler definition, active trawler exemption, and taper of aggregate percentage could be used in this option.

Rationale: Same as previous alternative, but provides a very different mechanism to achieve the goals.

7) Sunset Gear Switching

The sunset could be done for all vessels, or done for just the vessels that are not active trawlers. Sunset period could step down over 7 years. For the vessels that are not active trawlers, some of them participate in the sablefish tier permit fishery and have far more restrictive vessel limits than in the trawl fishery. One option that could be explored in conjunction with reducing fixed gear only vessels’ participation levels in the trawl fishery could be a review of vessel limits in the tier permit fishery. (This recommendation did not come from fixed gear tier permit representatives on the GAP). If the Council sees as appropriate a fixed gear vessel harvesting far more than its current tier permit limit, then maybe the Council could review those tier permit vessel limits to see if they could be raised to allow the extra catch to occur in the fixed gear fishery instead of the trawl fishery.

Rationale: This option returns most to all of the sablefish harvest to trawl vessels that was lost to fixed gear attainment with the inception of catch shares. Trawlers and processors would be able to utilize their investments in the fishery as they had expected to prior to the loss in bottom trawl harvest that was a result of catch shares. This option, more than other options, maximizes the benefits to coastal communities in added utilization, net benefits and revenue, and seafood to the consumer.

6. Catcher-Processor Sector Accumulation Limits on Permit Ownership and Harvesting/Processing

The GAP does not believe that establishing accumulation limits on permit ownership and/or limits on harvesting/processing for the CP sector are necessary and recommends this issue be removed

from further consideration. The Catch Shares Review economic analysis indicates that the CP sector is achieving high attainment of its whiting allocation and strong economic performance. Sector participants indicate that this success is directly related to the flexibility provided under status quo management of the sector and the CP Cooperative's harvest sharing agreement. It is likely that accumulation limits will negatively affect the CP sector because the limits will hinder the flexibility that is key to the success of the CP sector. Moreover, removing this item will reduce the analytical burden and facilitate expeditious completion of program changes that will benefit catch share program participants who are not realizing full economic benefits from the program.

7. AMP Pass-Thru

The GAP recommends a continuation of the pass-through until implementation of a permanent disposition of the AMP.

PFMC
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