



Mr. Phil Anderson, Chairman
Pacific Fishery Management Council
770 NE Ambassador Place, Suite 101
Portland, Oregon 97220-1384

RE: PUBLIC REVIEW DRAFT OF THE GROUND FISH TRAWL CATCH SHARE PROGRAM FIVE-YEAR REVIEW

Dear Mr. Anderson:

Pacific Seafood commends the work on the Review that the authors have done. The present Draft is a much more informative document than those previous. We have the following brief and generalized comments that are a short summary of areas that the document fails to answer keystone questions on the economic performance of the shoreside non-whiting fishery.

It is Pacific Seafood's opinion that in order to properly analyze the successes and deficiencies of the Amendment 20 Trawl Groundfish Catch Share Program must be evaluated in terms of whether the program meet the economic objectives of both National Standard 1 and the Goal and Objectives and specified in the EIS.

§600.310 National Standard 1—Optimum Yield

- 1) National Standard 1: Conservation and management measures shall prevent overfishing while achieving, on a continuing basis, the optimum yield from each fishery for the United States fishing industry.
- 2) (Amendment-20 FEIS) "The primary stated goal of Amendment 20 is: *Create and implement a capacity rationalization plan that increases net economic benefits, creates individual economic stability, provides for full utilization of the trawl sector allocation, considers environmental impacts, and achieves individual accountability of catch and bycatch.*"
- 3) *Additional stated objectives of Amendment 20 include: (#2) to "provide for a viable, profitable, and efficient groundfish fishery," (#4) "Increase operational flexibility," (#5) to "minimize adverse effects . . . on fishing communities," and (#6) to "promote measurable economic and employment benefits through the seafood catching, processing, distribution elements, and support sectors of the industry."*



The Review analysis measures performance at a broad based level. In our opinion it does not attempt to explain the countervailing testimony from expert witnesses who are stakeholders directly impacted by the economic outputs of the Catch Share Program. A number of these were employees at Pacific Seafood facilities. Over and over they spoke of the loss of employees, of personal income loss, and of the loss of markets. In essence this testimony told a much different story from that of the Review. Infrastructure, markets, and jobs have eroded and the processors' investment in groundfish operations devalued.

Processors are an essential part of the supply chain: Vessels-Processors-Markets: If any of these three is weakened it jeopardizes the entire supply chain. Processors are no longer in a position where they can process the increase in rockfish species and markets have shifted to substitutes such as imported Tilapia. It is important to note that one of three important components of any fishery, the market, is rarely mentioned and not analyzed at all in the review.

Top areas of poor performance

1. Vessel and Processor revenues are stagnant or reduced: the Fresh market supply chain is dysfunctional and the market has shrunk due to decreased landings and a critical loss of processor groundfish workers.
2. Costs to Vessels and Processors increased.
3. The California trawl fishery is largely an artifact.
- 4) Landings of the aggregated ACL's decreased.
- 5) Harvest level of the underutilized species category decreased: Dover now is now an underutilized species.
- 6) The "trailing amendment" process is a regulatory quagmire creating more confusion for industry. Archaic regulations that prevent access to harvest are still in effect 6 year after the program implementation. This has made the program more inflexible than the previous management regime.
- 7) Species that need to be harvested year around in order to preserve market share are largely shut off in the winter creating the present rockfish deluge and a glut of supply relative to market.
- 8) No meaningful analysis of the aggregate control limit has been undertaken to determine the impact it has on "stranding" underutilized species.

There is a glaring discrepancy between what stakeholders are stating and what the Review suggests are areas of improvements. It can be argued that there are conservation benefits under the Catch Share Program, but a legitimate question is: Is this entirely due to elements contained within the program or because of the dismal harvest attainment levels? Is this program meeting the economic Goal and Objectives in the EIS? In Pacific Seafood's

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estimation the answer is that it is falling far short and impairing the entire supply chain for all but a few species of non-whiting Groundfish.

Thank you for your attention and consideration. Please do not hesitate to contact us with any questions you may have.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Okoniewski".

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