GROUNDFISH ADVISORY SUBPANEL REPORT ON EMERGING ISSUES UNDER TRAWL RATIONALIZATION AND INTERSECTOR ALLOCATION

The Groundfish Advisory Subpanel (GAP) received a report from Mr. Jim Seger and Ms. Jamie Goen on emerging issues under trawl rationalization and offers the following comments and recommendations.

The GAP notes that all of its priorities under this agenda item fit within National Marine Fisheries Service (NMFS) priorities; primarily “measures to make the existing trawl rationalization program more enforceable or more efficient” and “cost reduction discussions and projects.” The GAP further notes that many of the emerging issues identified in Agenda Item G.8.a Attachment 1 (Potential Trailing Actions on Trawl Rationalization) should be taken up by the TRREC. The GAP is concerned that the Trawl Rationalization Regulatory Evaluation Committee (TRREC) has not met yet and urges the Council to direct the TRREC to meet soon.

Working from document Agenda Item G.8.a Attachment 1 (Potential Trailing Actions on Trawl Rationalization), the GAP offers the following specific recommendations on emerging issues.

**Items 1-3:** These items, other than the lender safe harbor issue, have been dealt with by the Council. The GAP expects action on the lender safe harbor this week (September 2011).

**Item 4:** This is not a major GAP priority. The GAP views this as a clean-up item not critical to the functionality of groundfish fisheries.

**Item 5:** The GAP notes that this item is a measure “to make the existing trawl rationalization program more enforceable or more efficient” and recommends that it be addressed through the 13/14 biennial specifications process. The issue of having flexibility to reappportion the set aside, including the set asides for tribal whiting, to more fully attain the annual catch limit (ACL) is a high priority for the GAP.

**Item 6:** This is a Council obligation.

**Item 7:** The GAP believes that certifying new observer provider companies is an important issue. It could maintain competition and provide more observers for fishermen who haven’t been able to get observers. This also fits squarely within a NMFS-identified priority.

**Item 8:** This is not a GAP priority. It is too early to know whether this is needed. Should it become an issue, the GAP will offer comment at that time.

**Item 9:** As with issue #8, this is not a GAP priority at this time.

**Item 10:** Reallocating rebuilt species is an important issue for the GAP, and the GAP believes strongly that widow rockfish (and other overfished species) should be reallocated when rebuilt.
**Items 11-13:** Overfished and constraining species allocations and distributions will ultimately determine the success or failure of this program. As such, the GAP believes issues 11-13 deserve additional attention. The GAP notes that these issues are allocative in nature and should be handled by the Council and GAC. The GAP further notes that the solution to these issues will be more difficult to reach once permanent quota (QS) trading starts in 2013.

**Item 14:** The GAP sees reducing program costs as absolutely critical to program success and believes observer costs form a large portion of overall program costs. The GAP notes that as a cost reduction effort this fits squarely within NMFS’ priorities, and wishes to highlight that there have been several recent pilot projects directed at testing electronic monitoring with an additional pilot project to be conducted this fall. One of the critical stumbling blocks to further development of electronic monitoring (EM) beyond the pilot phase has been the failure of NMFS to articulate what standards an EM system would have to meet. The GAP views this issue as a very high priority and would like the Council to consider a trailing amendment to enable EM to be used in the fishery.

**Items 15, 19, 21, 26-28:** The GAP believes these items should be addressed by the TRREC and reiterates its desire for that committee to meet in the near term. The GAP notes that the TRREC’s scope as a first priority should include all groundfish gear regulations which may have been made obsolete and unnecessary by the adoption of the Trawl Individual Quota (TIQ) program and the individual accountability that goes along with it. Rockfish Conservation Areas and season start dates, among other issues, should also be addressed by the TRREC after modifying the gear regulations. To that end, the GAP asks that when the TRREC meets, that it review all the regulations found in CFR 660.130.

**Items 16:** The opt-out rules regarding a quota pound (QP) deficit and the 30-day clock are a high priority for the GAP. The GAP believes that a vessel should have more time to cover the overage. Especially early in the program, 30 days is insufficient to find constraining species QP, and upsets business certainty. Moreover, preventing a vessel from opting back in to the fishery further constrains business flexibility should constraining species QP be freed up later in the year (e.g. after the whiting season).

**Items 17-18, 22-25, 29:** These issues are not critical to the GAP and we have not heard from other members of the industry that these are major priorities. The GAP recommends that these fixes be made if they will not impair NMFS’ ability to carry out some of the more important actions recommended in these comments.

**Item 20:** The GAP believes this is a high priority and would like to see it addressed in the near term. Allowing maximum flexibility will be important to ultimate TIQ program success.

The GAP also reviewed NMFS-identified potential trailing action items (Agenda Item G.8.b Supplemental NMFS Report 1) and offers the following comments.

**NMFS Item 1:** Addressing the carryover provision is a major GAP priority. One potential short-term fix is to delay the carryover until later in 2012. While the GAP feels that this alternative is better than no carryover, the GAP is concerned that this issue, which was an important element
of the program from an industry standpoint, is being raised so late in the year, upsetting business
decisions and changing fishing incentives within the fleet. The industry is not convinced that a
carryover will even occur, despite best intentions, and based on that calculation, may fish closer
to or over QP allotments than they would have otherwise. It could also keep people off the water
until the carryover is released, potentially precluding participation in winter fisheries when
certain species are more and more cleanly available.

**NMFS Items 2-10:** These are primarily administrative fixes and are not major GAP priorities.

**NMFS Item 11:** The GAP views the processing at-sea restriction for other groundfish sectors as
a good fix and believes we don’t want to open the door to something unintended now that may
be hard to reign in later.

**Other important emerging issues:**

In addition to the issues discussed above, several other important issues have been brought to our
attention.

One issue concerns how trawl sablefish catch is managed in the new individual fishing quota
program. The current system of counting all sablefish catch against quota pounds provides an
incentive for trawl fishermen to land small sablefish. This decreases the market potential and
economic benefits of the trawl allocation of sablefish. The GAP believes it would be beneficial
to only count landed sablefish and discard mortalities against quota pounds. On-board observers
could record the disposition of discarded sablefish to determine discard mortalities as is done to
estimate discard mortality of Pacific halibut. Fishermen could then decide whether to land larger,
more valuable sablefish and discard smaller sablefish to maximize the value of their sablefish
quota pounds. The GAP further believes that this approach could be considered for other species
as well (e.g. lingcod).

The GAP was also made aware of a recent issue in the whiting fishery where it has become
apparent that chafing gear regulations conflict with long-standing operational practices in the
whiting fishery. In 2006, chafing gear provisions were modified such that the small
footrope trawl requirement -- "Chafing gear may be used only on the last 50 meshes of a small
footrope trawl, measured from the terminal (closed) end of the codend." -- was made to apply to
all trawl gear. This directly conflicts with long-standing practices in the whiting fishery. The
GAP believes this generic application of the small footrope chafing gear requirement was an
oversight and recommends it be corrected as a priority trailing action for the TRREC Committee.

For background, (1) currently all pelagic codends used in the three whiting sectors are out of
compliance with the chafing gear regulations; (2) a whiting codend can cost up to $100,000, and
without protection from the vessel stern ramp and trawl alley, the codends will wear out very
quickly, perhaps within a single season; (3) chafing gear protecting the entire length of the
codend has been used in the whiting fishery since the joint venture days in the 1970s through
present day to protect the bottom of the codend when it is being hauled up the stern ramp and
trawl alley; (4) fishermen state that a codend attached to a whiting pelagic trawl net does not
come in contact with the ocean floor.
The GAP recommends this issue be addressed by the TRREC Committee with a goal to implement a long-term fix by the 2013 whiting season. For the remainder of 2011 and 2012, the GAP recommends the Council provide guidance to NMFS and state law enforcement that this issue be a low enforcement priority. Chafing gear on a mid-water trawl codend does not pose a conservation risk because it is fished in the pelagic zone, not in contact with the ocean bottom. Moreover, forcing the whiting industry to modify their codends to comply with the small footrope trawl chafing gear requirement would impose a large and unnecessary financial burden on the fishery.

PFMC
09/17/11