

## COASTAL PELAGIC SPECIES ADVISORY SUBPANEL REPORT ON FISHERY MANAGEMENT PLAN (FMP) AMENDMENT–SARDINE ALLOCATION

As directed by the Pacific Fishery Management Council (Council), the Coastal Pelagic Species Advisory Subpanel (CPSAS) met August 3-4, 2004 to begin development of management alternatives for annual allocation of the Pacific sardine harvest guideline (HG).

A set of overall objectives were agreed upon to guide development of the management alternatives. Based on these objectives, a suite of allocation “scenarios” were drafted. Each allocation scenario was then further specified into specific alternatives. Pros and cons of each allocation scenario were also developed to facilitate Council decision making.

Subsequent to the CPSAS meeting, industry representatives continued discussions within their respective sectors to inform them of the CPSAS draft work product, refine the alternatives, and begin narrowing the potential range of alternatives.

The following report lists the draft objectives, allocation scenarios, and specific alternatives. The CPSAS is seeking guidance from the Council to determine if the CPSAS is on the right track in terms of overarching objectives and the specific types of allocation scenarios. Following the September Council meeting, the CPSAS will meet to further refine the alternatives into a draft “reasonable range” of alternatives for Council consideration at the November 2004 Council meeting.

A principal concern over-riding development of a Pacific sardine allocation program is the fishery during the October - December period. California fishery participants would like access to a reasonable amount of fish during this period. However, Pacific Northwest fishery participants are concerned that if fish are “locked up” for the October - December period *and* if the California sector is unable to harvest this amount, then a portion of the harvest guideline could be “left on the table.” A second major concern is that during low stock biomass periods a portion of the harvest guideline (HG) will be “locked up” in a Pacific Northwest allocation, and could go unharvested because the fish are no longer in northern waters and available to the Pacific Northwest fishery.

### **Objectives for Allocation Program**

- Strive for simplicity and flexibility in developing an allocation scheme.
- Transfer quota as needed.
- Utilize optimum yield.
- Implement a plan that balances maximizing value and historic dependence on sardine.
- Implement a plan that shares the pain equally at reduced HG levels.

## Summary of Alternative Scenarios

The following table summarizes several alternative scenarios, provides a description of how the scenario would operate, and pros and cons.

Scenario	Description	Pros	Cons
Status quo	Extends the interim allocation framework. Subarea line at Pt. Arena; Jan 1 allocation 66:33 S/N; Sept 1 reallocation 80:20 S/N; Dec 1 coastwide.	<ul style="list-style-type: none"> <li>Identifies PNW fishery as independent sector and provides specific allocation.</li> <li>Simple system.</li> <li>Provides for reallocation of unused fish at right time.</li> <li>Provides for Dec 1 mop up fishery.</li> </ul>	<ul style="list-style-type: none"> <li>Leaves fish on table (at high HG).</li> <li>Too rigid, can't adapt to year-to-year variation nor react to need for inseason changes.</li> </ul>
No action	If Council took no action, the interim allocation would expire and the allocation framework would revert back to the original FMP formula. Subarea line at Pt. Piedras Blancas; Jan 1 allocation 66:33 S/N; Oct 1 reallocation 50:50 S/N.	<ul style="list-style-type: none"> <li>Best suited to a CA only fishery, performs well at allocating between Nor CA and So CA, but doesn't acct for PNW fishery.</li> <li>Doesn't provide for expanding PNW fishery (pro for CA).</li> </ul>	<ul style="list-style-type: none"> <li>In some years, sectors pre-empted.</li> <li>Leaves fish on table (at high HG).</li> <li>Too rigid, can't adapt to year-to-year variation nor react to need for inseason changes.</li> <li>Doesn't provide for expanding PNW fishery (con for PNW).</li> </ul>
Coastwide HG, w/ seasonal allocation	Periodic/seasonal allocation of fixed amount of the HG, <sup>1/</sup> rollover of remaining HG to next period. No subarea allocation.	<ul style="list-style-type: none"> <li>Provides for potentially equitable distribution, thru-out the year, for each sector.</li> <li>Simple, easy to administer.</li> <li>Improves ability to achieve HG.</li> <li>Aims to provide proper amount for each sector when they need it.</li> </ul>	<ul style="list-style-type: none"> <li>Fixed dates are inflexible and could prevent transfer of fish to other sectors on as needed basis.</li> <li>Increased potential for locking fish into one sector, disadvantaging other sectors.</li> <li>If quota decreases or market demand increases, PNW could be preempted.</li> <li>No explicit PNW allocation.</li> </ul>

---

1/ Note – monthly allocation (with rollover) could create large administrative burden. Three-period structure appears easier to administer (Jan-Jun, Jul-Sep, Oct-Dec).

Scenario	Description	Pros	Cons
Area-based allocation of HG	HG allocated to specific subareas. Periodic reallocation of unused HG. Mop up fishery at end of year.	<ul style="list-style-type: none"> <li>Equally divides HG to CA and PNW.</li> <li>Provides for timely and flexible transfer of HG between areas.</li> <li>Allocates the pain of a lower HG equally between sectors.</li> </ul>	<ul style="list-style-type: none"> <li>No incentive for PNW to limit expansion.</li> <li>Exacerbates race to fish and inter-sectoral preemption.</li> </ul>
“Historical” allocation of HG	Each year sectoral allocation would be based on each sector’s harvest the previous year.	<ul style="list-style-type: none"> <li>Relies upon most recent history (previous season) for allocating the next year.</li> </ul>	<ul style="list-style-type: none"> <li>Penalizes sector for having a bad season the previous year and assumes the previous year's conditions will continue in next year.</li> <li>Administrative burden.</li> </ul>
Coastwide HG with Sept 1 Season Start	No sub-area allocation.	<ul style="list-style-type: none"> <li>Flexible way of using HG (when HG &gt; 100,000 mt).</li> <li>Very simple.</li> </ul>	<ul style="list-style-type: none"> <li>Could preempt PNW (when HG &lt; 100,000 mt).</li> </ul>
Coastwide HG with June 1 Season Start	No sub-area allocation.	<ul style="list-style-type: none"> <li>Flexible way of using HG (when HG &gt; 100,000 mt).</li> <li>Very simple.</li> </ul>	<ul style="list-style-type: none"> <li>Could preempt CA (when HG &lt; 100,000 mt).</li> </ul>
Set Aside Plan	A portion of the HG is “set aside” (e.g., held in trust by NMFS) for distribution on as needed basis.	<ul style="list-style-type: none"> <li>Protects limited entry fleet.</li> <li>Prevents premature closure of sector.</li> </ul>	<ul style="list-style-type: none"> <li>Potentially leaves fish on the table.</li> <li>Administrative burden.</li> <li>Unequal allocation between sectors.</li> </ul>

## **Allocation Scenarios and Variations on the Theme**

The following narratives describe each allocation scenario developed by the CPSAS and variations on each basic scenario. As noted previously, the overarching scenarios were developed by the CPSAS, specific variations were developed by the CPSAS, and (after the CPSAS meeting) by the fishery sectors. All of the alternatives are presented to demonstrate the full range of potential alternatives. Prior to the November 2004 Council meeting, the CPSAS will meet to work on focusing this broad range into a “reasonable range” of alternatives.

### Status quo

- Subarea line at Pt. Arena. Allocation January 1 66% to the South (So CA and Nor CA), 33% to the North (PNW); reallocation on September 1 80% to the South, 20% to the North; remaining HG open coastwide December 1.

### No action

- Subarea line at Pt. Piedras Blancas; allocation January 1 66% to the South (So CA), 33% to the North (Nor CA and PNW); reallocation on October 1 50:50.

Coastwide HG, w/ seasonal allocation – Seasonal release of HG coastwide. Unused HG automatically rolls into next seasonal release.

- January-June 40%; July-September 40% + rollover; October-December 20% + rollover.
- If HG < 100,000 mt – January-June 40%; July-September 35% + rollover; October-December 25% + rollover.
- January-June 50%; July-December 50%.
- January-June 45%; July-August 45%; September-December 10%.
- Change season start date to December 1. December-May 50%; June-November 50%.
- January-June 35% coastwide; July-September 50% + prior unused allocated (40% to PNW, 10% to CA); October-December 15% + prior unused allocated coastwide.

Area-based allocation – Subareas at Pt. Arena, South is So CA and Nor CA, North is PNW.

- January 1 season start, 50% to South and 50% to North. If and when the Northern region catches its quota, Southern area uncaught quota (less a hold back equal to 120% of the Southern regions prior year’s October, November, and December catch) would be made available on that date as a coastwide quota.

- January 1 season start, 40% to South (January 1), 40% to North (June 1-September 30), 20% of HG (plus remainder from January 1-September, both areas) for use coastwide (October 1-December 31). Prior to September 30, the southern fishery could not exceed their 40% allocation.
- January 1 season start, 30% of HG available coastwide January-June, 40% of HG to North, 10% (plus remainder of January-June amount) allocated to South July-September, coastwide October 1.
- October 1 season start, 45% to South (on October 1), 45% to North (on June 1), 10% set aside (for use by whomever uses their sectoral allocation first), August 1 all remaining HG pooled and available coastwide.
- October 1 or December 1 season start (depends on size of HG), 20% of HG available coastwide at start of season through December 31, 40% of HG to South (on January 1), 40% of HG to North (on June 1), August 1 remaining HG available coastwide. Under this scenario the southern fishery would be open year round, as long as their HG allocation was available. The northern fishery would be closed January 1 - May 31.

If the HG > 90,000 mt – October 1 season start.

If the HG < 90,000 mt – December 1 season start.

“Historical” allocation – Subareas at Pt. Arena, South is So CA and Nor CA, North is PNW.

- Each year sectoral allocation would be based on each sector’s harvest the previous year.

Coastwide HG with September 1 Season Start

- Season start changed to September 1, coastwide HG, no seasonal or subarea allocations.

Coastwide HG with June 1 Season Start

- Season start changed to June 1, coastwide HG, no seasonal or subarea allocations.

Set Aside Plan – Subareas at Pt. Arena, South is So CA and Nor CA, North is PNW.

- If HG > 100,000 mt – 10,000 mt set aside, remaining HG allocated 60% to South, 40% to North (on January 1); remaining HG available coastwide on September 1. Set aside to be used by sector that will run out of HG (triggered when sector has achieved 90% of its allocation).
- If HG is < 100,000 mt – no set aside, 60% to South, 40% to North (on January 1); remaining HG available coastwide on October 1.

Variations on Status quo – Subareas at Pt. Arena, South is So CA and Nor CA, North is PNW.

- If  $HG > 100,000$  mt – 60% to South, 40% to North (on January 1), reallocation 60 % to South, 40% to North (on September 1), coastwide on November 1.
- If  $HG > 100,000$  mt – 66% to South, 33% to North (on January 1), reallocation 80 % to South, 20% to North (on September 1), coastwide on November 1.
- If  $HG < 100,000$  mt – 66% to South, 33% to North (on January 1), coastwide on October 1.