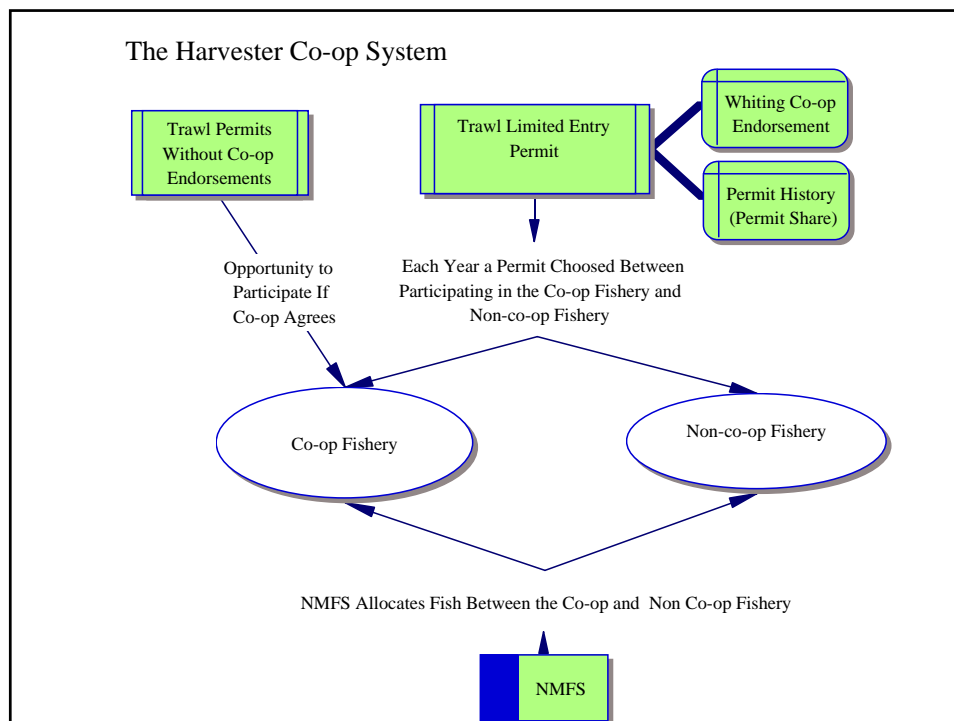
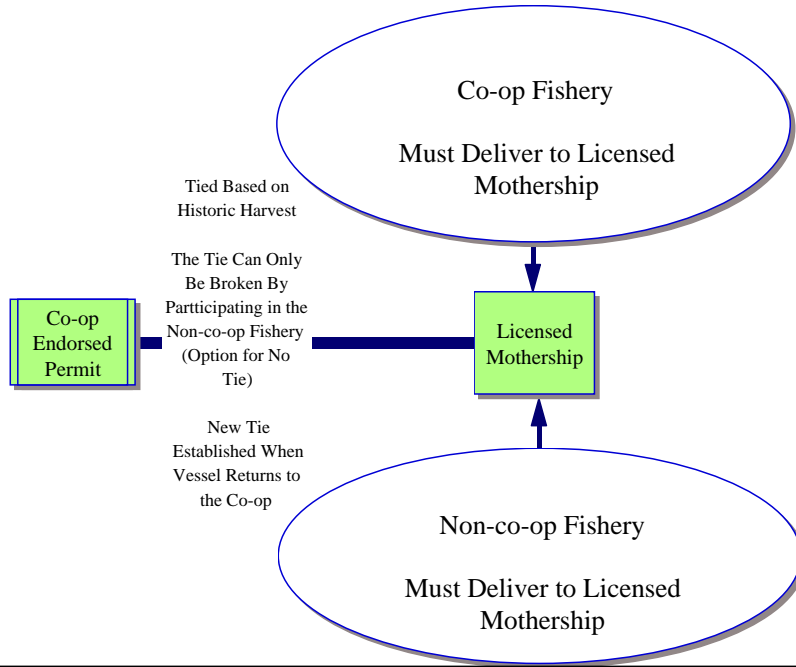


## Trawl Rationalization Alternatives

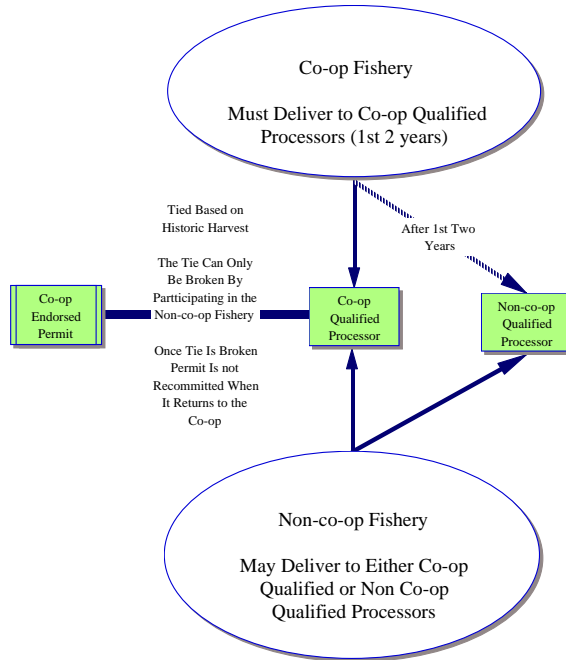
- Review Co-op Alternative Basics
- Review Major New IFQ Provisions
  - Adaptive Management
  - Processor Measures
  - Halibut IBQ
- Review IFQ Alternatives Focusing on GAC Proposed Changes
- Review Preliminary Quantitative Analysis
- Challenges to Managing Overfished Species with IFQs

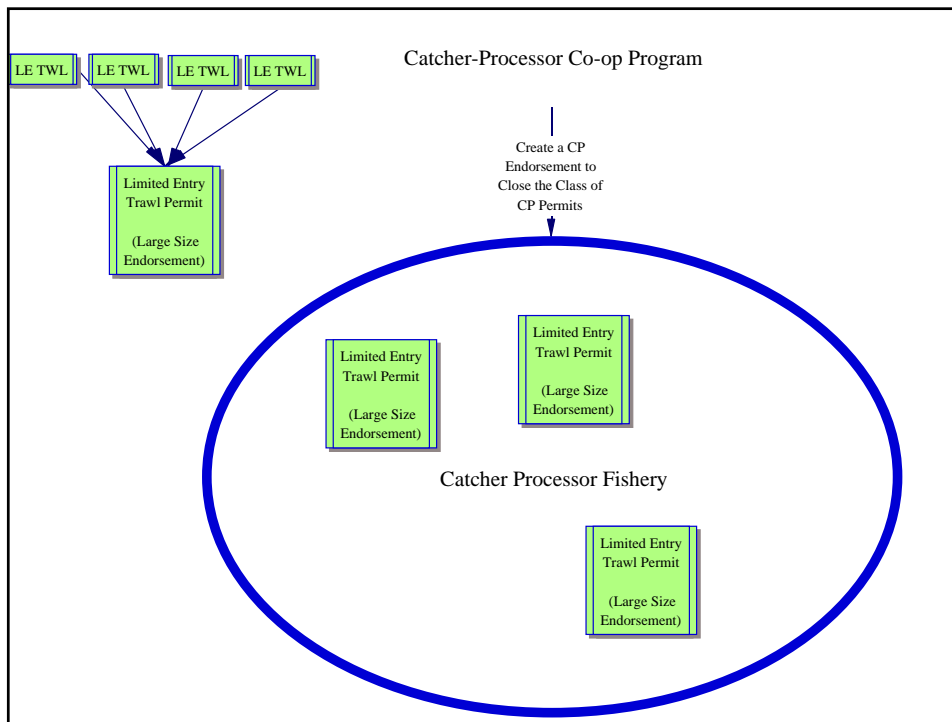


Mothership Co-op Program: Processor Ties



Shoreside Co-op Program: Processor Ties





## Whiting Co-op Alternative Bycatch Management

- Option 1: A single pool for all whiting sections
  - SubOption 1: Close on attainment of pool cap
  - SubOption 2: Same as Suboption 1 plus seasonal releases of the bycatch pool.
- Option 2: A separate bycatch pool for each whiting sector
  - SubOption 1: Rollover on full attainment of whiting allocation or declaration of all participants that they do not need the remaining pool.
  - SubOption 2: No rollover.

## A-2.4. Additional Measures for Processors

IFQ Alternative Includes Option for Initial Distribution of QS to Processors

1. Any QS received for processing history will expire after a certain period of time.
2. The accumulation limit grandfather clause will not apply for QS issued based on processing history.
3. As needed, a fee will be established to provide financial compensation to processors for demonstrated harm.  
*Congressional action may be necessary to establish a fee dedicated to this purpose.*
4. The Adaptive Management provision will be used to compensate processors for demonstrated harm by:
  - auctioning QP to generate funds to provide financial compensation, or
  - providing QP to be directed in a fashion that increases benefits for affected processors.

## A-3. Adaptive Management

- 1<sup>st</sup> 10 Years of Program
- 0% to 10% of the trawl allocation will be distributed as quota pounds (QP) to create incentives or to compensate for unexpected outcomes.
- This provision would apply to the overall trawl sector (whiting and non-whiting).
- Council establishes criteria for the distribution when it determines there is a need.

Note: This approach does not change the option for splits of quota share (QS) that will go to eligible groups.

## A-4. IBQ for Pacific Halibut

- For bycatch only (not for retention)
- Issued on the basis of a bycatch rate applied to the target species quota shares an entity receives.
- Area specific bycatch rates may be used for allocation.

## Quantitative Analysis

- Recent Participation Requirement Has Little Effect on Distribution of QS
  - Only a few permits would be affected
  - The amount of their landings is quite small
- Compare Graphs of Initial QS Distribution With and Without Equal Sharing
  - Some flattening of the distribution of QS
  - For some permits '04-'06 participation diverges greatly from historic participation
- Compare Tables With and Without Equal Sharing
  - Equal sharing is not the main factor affecting geographic distribution (e.g., Astoria and Coos Bay lose less, but Newport and Eureka are worse off)

# TIQ Recent Participation

Number existing permits and share of total landings history that would be excluded under different Recent Participation Thresholds

## Recent Participation Minimum Landings Requirement 1998-2003

	<u>One</u>	<u>Five</u>	<u>Ten</u>	<u>Total</u>
<b>Number of Permits Excluded</b>	6	7	10	163*
<b>Share of Landings History</b>	0.34%	0.35%	0.47%	100%

\* Number of permits does not include 5 permits with only whiting deliveries and 1 permit with no landings between 1994 and 2003

## Permit Allocation Option 2

- Allocation Based on Permit History
- Allocation of Buyback Permit Pool Based on Equal Sharing
- Following slides illustrate
  - a permit's history on the left
  - the buyback permit history pool on the right
  - the QS allocation to the permit in the center

