

Selected Excerpts and Discussion Pertaining to the Initial Allocation of Pacific Halibut South of
40 Degrees 10 Minutes North Latitude

The Council's November 2008 motion on Trawl Rationalization specifies that "...[Pacific halibut] IBQ will be issued on the basis of a bycatch rate applied to the target species QS an entity receives...". Council staff identified a method for allocating Pacific halibut to entities based on a bycatch rate to arrowtooth flounder and petrale sole in areas north of 40° 10' N. latitude. However, Pacific halibut are also found south of that area and the International Pacific Halibut Commission's area 2A extends to the US/Mexico border. In order to make an initial allocation of Pacific halibut to permits operating in that southern area, staff will need a Council action to specify the manner in which an initial allocation of Pacific halibut IBQ in the southern area should be done. Available data from the West Coast Groundfish Observer Program indicates encounters with Pacific halibut in the trawl fishery in that southern area, but data is not sufficiently robust to develop a bycatch rate approach similar to that used in the northern area. Therefore, staff has identified two options for making such an allocation. The first option would allocate Pacific halibut equally to those permits with activities in the southern area. The second option would allocate Pacific halibut on a pro-rata basis to permits with activity in that southern area.

1. Equal allocation of Pacific halibut quota to entities with history south of 40° 10' N. latitude.
2. Allocate Pacific halibut quota on a pro rata basis to entities with history south of 40° 10' N. latitude.

Information provided by NWFSC indicates that over the 2003 – 2006 period, 1,300 lbs of Pacific halibut were observed in the trawl fishery south of 40° 10' N. latitude while 549,952 lbs of Pacific halibut were observed to the north. This means that the allocation of Pacific halibut to the south would be approximately 0.24 percent of the trawl allocation, while the area to the north would be comprised of 99.76 percent of the trawl allocation. The effect of this relatively small percentage being allocated to permits with history south of 40° 10' N. latitude means that both the pro-rata distribution and the equal allocation distribution to permits with history south of 40° 10' N. latitude will have very similar results. The figure below shows that, in any case, each permit would receive less than 0.015 percent of the trawl sector allocation of Pacific halibut.

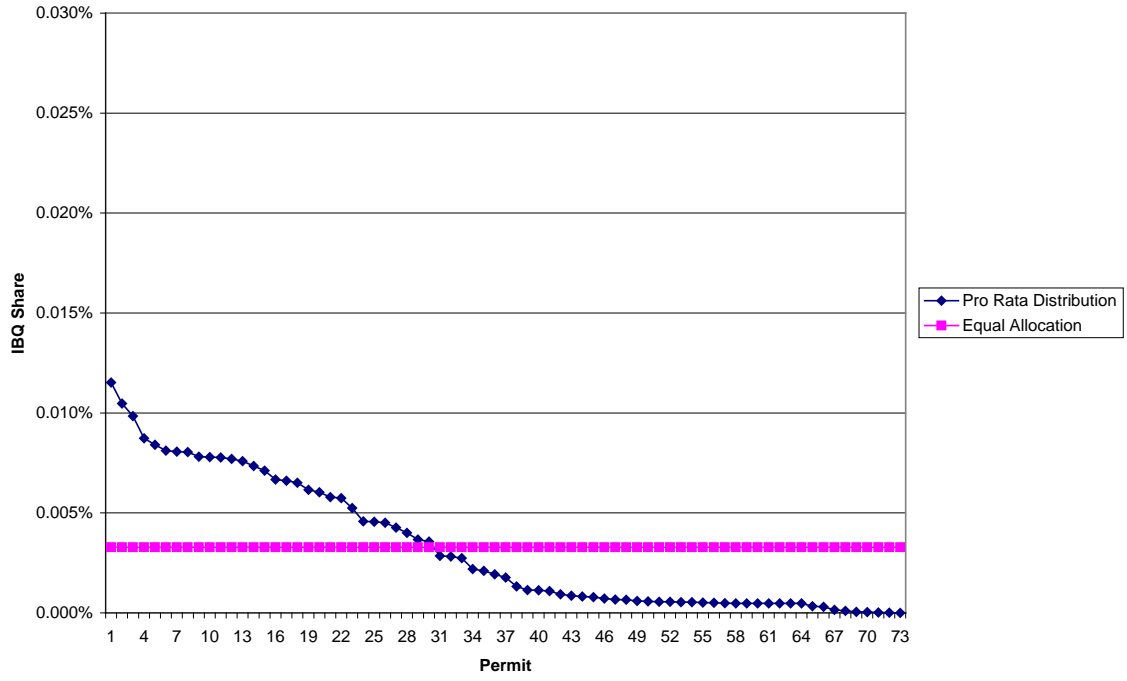


Figure 1. Initial Allocation of Pacific Halibut to Permits with History South of 40° 10' Using Two Different Formulas