

SCIENTIFIC AND STATISTICAL COMMITTEE REPORT ON FISHERY MANAGEMENT  
PLAN AMENDMENT 20 – TRAWL RATIONALIZATION – ACCUMULATION LIMITS

Messrs. Jim Seger and Merrick Burden briefed the Scientific and Statistical Committee (SSC) on species-specific non-whiting control limits and vessel limits being considered for non-overfished species as part of the trawl individual quota (TIQ) program. Control limits are intended to prevent excess concentration of shares, while vessel limits are intended to influence overall fleet size.

In January 2009, the Groundfish Allocation Committee (GAC) proposed two control limit options based on landings shares associated with 90<sup>th</sup> percentile landing histories for 1994-2003 and 2004-2006. The GAC options also include a requirement that vessel limit options be twice the control limits, with the control limit capped at 10 percent and the vessel limit capped at 20 percent of quota shares. Agenda Item G.4.a, Staff Report summarizes the GAC options and two other options previously identified by the Council in terms of quota shares, minimum number of entities needed to exhaust quota share, maximum revenue per entity, and total number of entities and total quota share over the limit. Agenda Item G.4.b, GMT Report compares the GAC options to a new option developed by the Groundfish Management Team (GMT). The GMT option focuses on identifying accumulation limits that would provide a “one vessel, one owner” entity with sufficient quota share to operate efficiently in the TIQ fishery. The option was developed by characterizing regional differences in target strategies (based on the behavior of the top three producers in each of four regions), setting control limits to regional peaks, and using post-TIQ annual revenue of \$700K as a benchmark for an efficient vessel (based on a previous TIQ analysis conducted by Lian, Singh and Weninger).

Both the Staff Report and GMT Report are informative regarding differences among the accumulation limit options. The GMT’s approach is particularly instructive, in that it accounts for regional differences in historical fishing strategies rather than statistical distributions of historical catch. It is important to note that the focus of the GMT Report is the control limit. For instance, maximum revenues by region projected in the report (Table 3, p 11) pertain to total landings taken under the control limit; the vessel limit would be twice as large so the GAC options are not as restrictive as indicated in the Table. It would be instructive to have a similar analysis of vessel limit options. With regard to both reports, it is important to note that percentages of accumulation limits assigned to individual species should not be used to estimate the number of vessels in operation, as limits are not necessarily fully utilized.

The SSC views accumulation limits as a policy decision to be made by the Council that reflects trade-offs between economic efficiency and wider distribution of fishing opportunity. The analyses provided in the Staff Report and GMT Report are useful contributions to the Council’s consideration of the options.