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Agenda Item F.5.c
Public Comment
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ADAPTIVE MANAGEMENT PROGRAM ASSOCIATED WITH THE PACIFIC TRAWL GROUND FISH IFQ PROGRAM

DEFINITION

The Adaptive Management Program (AMP) of the Pacific Groundfish IFQ Program sets aside up to 10% of the Quota Shares for species requested through an application on an annual basis unless identified for a longer period of time. These shares will be issued to the requesting permit owner upon the recommendation of the PFMC and approval of the NMFS. Any unallocated shares will be redistributed to all share holders in proportion to their holdings. Any shares provided through this program may not be transferred to or used by anyone not identified in the proposed application.

PURPOSE

The specific objectives of an application may vary. However, since the fish made available through this program is taken "off of the top" from all quota share holders, it should be thought of as an investment being made for the benefit of the trawl fishing industry. It is the intent that these benefits will lead to an economically stronger trawl fishing industry which then contributes to the economic health of fishing communities.

The fish provided through this program should be invested in a way that would foster the development of new entrants in fish processing and distribution with an emphasis on increasing employment and new market opportunities, new product forms, more selective fishing gear, and biological research.

Shares made available through this program may also be used to mitigate any unforeseen negative consequences of the IFQ program provided that this mitigation will lead to a stable situation where additional or on going allocations are not required.

The purpose of this program is not to maintain and protect the status quo, but rather to assist the orderly change necessary to improve the economic health of the fishing industry.

PROTOCOL

A. Submission

1. The allocation of shares made available through this program will be done so in a way so that the distribution to recipients will approximate a balance between the three states of 20% Washington, 45% Oregon, and 35% California. The distribution to the States will vary for species with unique geographic distributions and will be established by the Council. The States will conduct a review of each application received from their constituents and make recommendations to the Council.

2. The States will establish their own process for submission and review; however completed proposals and recommendations for consideration must be received by the Council for review, at least two weeks prior to the June Council meeting.

B. Proposal Contents

1. AMP proposals must contain sufficient information for the Council to determine:

- a. That the proposal meets the purpose of the program.
- b. There is adequate justification for the granting of quota.
- c. The potential benefits of the allocation of quota have been adequately identified.
- d. That the allocation of quota will mitigate any negative consequences of the IFQ program.

2. Applicants must submit a completed application in writing that is structured as a business plan addressing how the quota is to be used. It should include, but is not limited to, the following information:

- a. Date of application.
- b. Applicant's names, mailing addresses, and telephone numbers.
- c. A statement of the purpose and goals of the proposal.
- d. Valid justification explaining why issuance of AMP quota is warranted.
- e. A statement of whether the proposal has broader significance to the industry than the applicant's individual goals.
- f. An expected total duration of the proposal (i.e., number of months or years proposed to conduct fishing activities).
- g. Number and name of vessels covered under the proposal.

- h. A description of the species to be harvested under the AMP and the amount(s) of such harvest necessary to conduct the proposal.
- i. Measurable benchmarks for sales, employment, capital expenditure, benefits to related business, etc.
- i. The signature of the applicant.

C. Review and Approval

1. The Council Advisory bodies will review AMP proposals in June and make their recommendations to the Council for preliminary Council action at that time. Final action on proposals will occur at the November Council meeting. Only those proposals that were considered in June may be considered in November; proposals received after the June Council meeting for the following calendar year will not be considered.
2. The Council will give priority consideration to those proposals that:
 - a. Lead to the establishment of new processing businesses or seafood distribution businesses and increase employment (highest priority).
 - b. Encourage innovative gear modifications and fishing strategies.
 - c. Encourage the development of new market opportunities.
 - d. Provide mitigation to negative impacts of the IFQ program leading to long-term stability.

D. Other considerations:

AMP candidates or participants may be denied future allocation if they have been convicted of any violation involving the falsification of fish receiving tickets or other provisions of the IFQ program.

E. Report Contents

1. The participant must present a preliminary report on the results of the project to the Council two weeks prior to the April Council meeting of the following year.
2. A final written report on the results of the project must be presented to the Council two weeks prior to the September Council meeting.
3. The preliminary and final report should include discussion on how the quota was used and detail whether the proposals benchmarks have been met. The report must identify the value of sales, number of employees, nature of benefits to related businesses, etc. If any of the benchmarks have not been met, then there must be a discussion as to why.

4. Timely presentation of results is required to determine whether future AMPs will be recommended.