## GROUNDFISH ADVISORY SUBPANEL REPORT ON COMMENTS ON NON-AGENDA ITEMS

During the "air clearing" session, the Groundfish Advisory Subpanel (GAP) identified one particular issue that we recommend the Council formally reconsider. Specifically, the final preferred method for calculating the initial allocation of quota shares for overfished species uses target landings from 1994 to 2003, but uses log book information from 2003 to 2006 to determine fishing locations. This method could result in initial allocations that do not provide sufficient amounts of overfished species quota share to prosecute target fisheries. This potential problem was identified and described by the Trawl Individual Quota Committee (TIQC) in November 2007 (see excerpt from November 2007 TIQC report, attached). It appears that consideration should be given to this issue; especially to address ports and permits that would receive no quota shares for any given groundfish species. Receiving zero quota shares in the initial allocation denies access to target species and could severely impact a community, which is something the Council should aim to avoid.

As described by the TIQC, the Council could look at other ways to initially allocate overfished species quota shares, such as overfished species landings between 1994 to 2003 plus an equal sharing of the buyback landings, or using the log book fishing location information from 1994 to 2003 so that it matches the target species years (and therefore more closely matches fishing strategies during all of those years).

The GAP also recommends that the initial allocation estimates should be recalculated to include the Adaptive Management Program quota shares so that quota share holders can see what the first two years of the pass-through will look like.

Asking for additional analyses creates the possibility of delaying implementation of the trawl rationalization program. The GAP does not wish to delay trawl rationalization implementation, but does wish to correct any problems with initial allocations. Those corrections could either be folded into the final preferred alternative that is about to undergo NEPA public review or placed in a trailing amendment that would be implemented concurrently with the trawl program.

After an additional industry meeting, many people expressed their desire to leave the Final Preferred Alternative "as is" because taking quota shares from one to give to another might solve one problem and create another. And they felt the market place would solve the problem of deficiencies in the initial allocation of bycatch species. Others at the meeting continued to express concern over those ports and permits that would get zero bycatch quota shares initially.

## TIQC Report November 2007

Individual Fishing Quotas (IFQs): Allocating Overfished Species Using Target Species Quota Sharing (QS) and Applying Bycatch Rates (A-2.1.3).

In June, the Council approved a method for allocating overfished stocks based on a bycatch rate. Since the bycatch rate of overfished stocks can vary widely from one area to another, this method attempts to establish an area that vessels will fish in after the fishery is rationalized. The method adopted by the Council in June would use aggregated logbook data on a species by species basis to predict where vessels would fish under rationalization. In other words, if 90% of the trawl caught Pacific cod occurred north of Cape Mendocino, and shoreward of the trawl Rockfish Conservation Area (RCA), each permit with Pacific cod catch history would be estimated to take 90% of its Pacific cod from that same area.

At its meeting, the Groundfish Allocation Committee (GAC) recommended that logbooks be used on an individual permit basis, and that where the permit caught target species between 2003 and 2006 would be the estimate for where the permit would catch its target species after the fishery was rationalized. The TIQC disagreed with this recommendation.

During discussion, the TIQC initially noted that fleet average logbook data would be more appropriate than individual permit logbook history during 2003-2006 because in more recent years vessels were forced to choose between fishing shoreward or seaward of the trawl RCA in the north. Since the catch history formula is based on the years 1994-2003, permits will receive QS for species that are found both shoreward and seaward of the RCA. Therefore, the TIQC initially discussed using fleet average logbook data so that each permit would be assigned both shoreward and seaward catch history. For example, one permit may have caught 100% of its Dover sole from areas seaward of the RCA over the 2003-2006 period, while on average the fleet may have harvested 70% of its Dover sole from areas seaward of the RCA, and 30% of its Dover sole from areas shoreward of the RCA. Using fleet averages would mean that the permit would receive credit based on fleet fishing patterns in areas shoreward and seaward of the RCA, and overfished species would be allocated accordingly.

After further deliberation on the issue, the TIQC decided to recommend the use of permit specific logbooks from 1994-2003. It was felt that using 1994-2003 logbooks to estimate fishing location in a rationalized fishery would align the allocation of overfished stocks better with the allocation of target species. Furthermore, it was felt that using 1994-2003 permit specific logbooks would be a better estimator for fishing location in a rationalized fishery because permits would overfished species allocations in proportion to their allocations of target species based on fishing activity during that period.

Recommendation: TIQC Recommendation: The TIQC concurred with the GAC recommendation to use individual permit logbooks as part of the allocation formulas for both overfished species QS and halibut IBQ but recommends that 1994-2003 logbooks be used to determine the location of target species catch instead of 2003-2006 logbooks. (Consensus)

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