GROUNDFISH MANAGEMENT TEAM REPORT ON BLACKGILL-SLOPE COMPLEX REALLOCATION AND ACCUMULATION LIMITS

The Pacific Fishery Management Council (Council) is considering a process to remove blackgill rockfish from the Slope Rockfish (SSRF) complex south of 40° 10' N. lat. The Groundfish Management Team (GMT) extends its thanks to Mr. John DeVore of Council staff for providing additional information to guide the team's considerations and discussion regarding this issue to assist the Council in making its recommendation on a final preferred alternative. The GMT has reviewed the briefing book documents associated with this agenda item and offers these comments.

As noted in the <u>Agenda Item H.7.a Supplemental GMT Report September 2015</u>, an important question the Council will have to address is whether there is a conservation concern that warrants the removal of blackgill rockfish from the SSRF complex. On several occasions during the past year, the GMT has acknowledged the risk of individual fishing quota (IFQ) vessels utilizing gear switching to increase harvest of blackgill rockfish, which is a source of concern regarding overharvest of blackgill rockfish south of 40° 10' N. latitude (<u>Agenda Item J.3.b Supplement GMT Report November 2014</u>, <u>Agenda Item E.7.a Supplemental GMT Report April 2015</u> and <u>Agenda Item H.7.a Supplemental GMT Report September 2015</u>). Additionally, the GMT has also stated that it supports managing the stock separately from the SSRF complex (<u>Agenda Item J.3.b Supplement GMT Report November 2014</u>). To continue with this train of thought, the GMT has identified the following discussion topics.

Conservation risk: have historical removals exceeded the current ACL/OFL?

Annual historical removals have not exceeded the ACL or OFL in any year between 2003 and 2013 (Figure 1). However, historical removals exceeded both the 2015 blackgill component annual catch limit (ACL) and overfishing limit (OFL) in four out of the last five years (since 2009; Figure 3), this was because the non-trawl harvest guideline and the associated restrictive limited entry fixed gear and open access fixed gear (FG) trip limits were not implemented until 2013. These restrictive trip limits were developed and implemented as a result of the 2011 stock assessment that concluded that the stock was in the precautionary zone. As such, actual historical landings do not provide a good visualization to determine if there are conservation risks now that reduced trip limits have been implemented (Figure 1 and Figure 2). Additionally, past performance is not always a good indicator of future behaviors and impacts of changes in behavior.

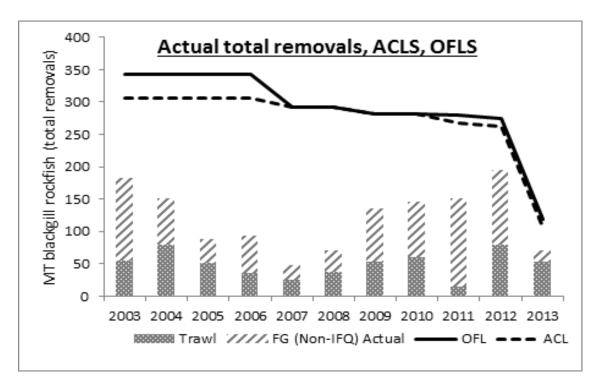


Figure 1. Actual landings of blackgill rockfish relative the annual ACL and OFL (landings from (<u>Agenda Item I.6</u>, <u>Attachment 1</u>, Figure 4-1; ACL/OFL values from (<u>Agenda Item I.6</u>, <u>Attachment 1</u>, Table 4-2).

Accordingly, the GMT conducted a retrospective analysis to determine what total removals may have been in 2003-2012, by applying the more restrictive 2013 FG trip limits to all years of 1,375 lbs. per 2 months for the limited entry sector and 475 lbs per 2 months for the open access sector (Figure 3). In other words, the retrospective analysis capped historical landings for individuals at their sector-specific trip limit if their bimonthly historical landings exceeded that amount. Using this retrospective approach, it appears that the risk of exceeding the component OFL is low, as removals for all years have been within the 2015 ACL (or OFL), and assuming that fishing impacts do not dramatically change from what has occurred in recent years. Although currently there does not appear to be a conservation risk based on this examination of historical landings alone, the GMT believes that there are conservation risks with leaving blackgill within the complex, with potentially adverse implications to the stock and industry and limited management options currently available (described throughout the rest of this report).

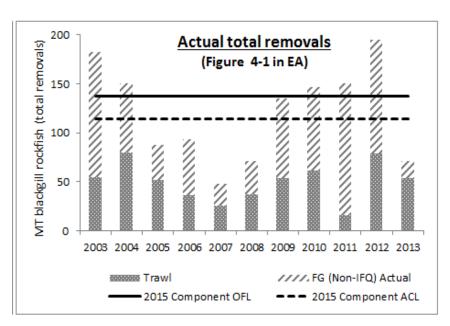


Figure 2 Actual landings of blackgill rockfish relative to the 2015 ACL and OFL (Agenda Item I.6., Attachment 1, Figure 4-1)

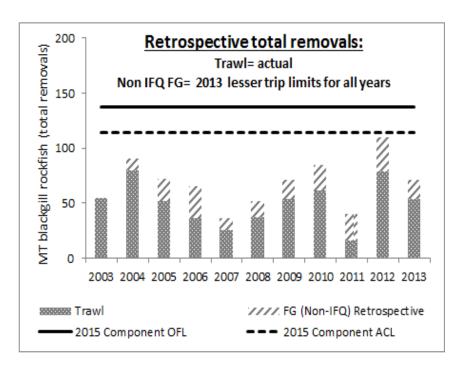


Figure 3 Retrospective landings assuming limited entry fixed gear and open access landings under the species-specific trip limits that were in effect in 2013 (replaces 2003-2012 removals with those of 2013).

Fairness and Equity issues

There are equity issues associated with keeping blackgill within the complex. While reducing trip limits in 2013 appears to have been successful in reducing blackgill rockfish mortality and keeping catch below the harvest guideline, this regulatory change was shouldered entirely by the FG sectors; the IFQ trawl sector was not directly affected (Figure 2).

Conservation risk: potential to exceed component ACL?

The GMT notes that there is considerable uncertainty in the future behavior of vessels participating in the IFQ sector. If blackgill rockfish remains in the SSRF complex, the IFQ fishery vessels may or may not target blackgill rockfish. They have the ability to use their entire SSRF quota towards the harvest of just blackgill rockfish. Landings history demonstrates that substantial landings of blackgill rockfish have been made from 2009 to 2012. The GMT notes that without a thorough understanding of the environmental or market factors that led to the sharp increase in blackgill rockfish harvest in the IFQ fishery, it is difficult to ascertain whether harvest will accelerate again, particularly given that IFQ can now be harvested by non-trawl gear under the Shorebased IFQ Program's gear switching provisions.

Consequences of "getting it wrong"

It was discussed that if the blackgill rockfish stock was to become overfished under No Action as a result of changes in market conditions, the consequences could be significant to fishing communities (e.g., Fort Bragg, Morro Bay). The GMT notes that blackgill rockfish is a slow growing, not highly productive stock. This is evident in the flat trajectory of spawning output assuming ACL removals using the 40-10 control rule, as shown in Table 4-3 of the Draft Environmental Assessment (EA) (Agenda Item I.6 Attachment 1, November 2015). As a result, it is likely that if the stock were to become overfished, it would be under a rebuilding plan for many years.

If harvest increases in the IFQ sector and results in the depletion level falling below 25 percent (therefore becoming overfished), it may result in possible depth restrictions and seasonal closures in the trawl sector. -It may also-result in extending current trip limit restrictions on both sectors of the non-trawl fleet into the future or requiring even more stringent restrictions on a sector that has historically had a relatively high reliance on blackgill rockfish. Hence, the GMT notes that keeping blackgill rockfish within the SSRF complex may lead to conservation and equity concerns.

Lastly, if under No Action blackgill rockfish were declared overfished, the Council could remove blackgill rockfish from the SSRF complex and issue species-specific IFQ. The Council would have the ability to suspend the Amendment 21 allocation (63 percent trawl; 37 percent non-trawl) for blackgill rockfish. Under this scenario, the percentages upon which the Amendment 21 allocations were based may no longer be representative for the SSRF complex, thus a greater proportion of SSRF would be stranded in the fixed gear fishery than under No Action.

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¹ Section 6.3.2.3 The provision to temporarily suspend the formal allocation if a species is declared overfished is maintained under Amendment 21.

Management options if ACLs are exceeded in the future

If blackgill rockfish were to exceed the ACL, current management tools for the IFQ sector would be limited to rectify this situation. For example, moving the rockfish conservation area (RCA) seaward boundary deeper, and limiting season length. A consequence of moving the RCA seaward boundary deeper could limit access to the other species in the SSRF complex since blackgill rockfish are generally found at greater depths than other species in the SSRF complex. Also, such an area/depth closures may be extreme in that it may affect the efficiency of important deep-water trawl target strategies, such as the Dover sole-thornyheads-sablefish (DTS) complex harvesting strategy. Limiting season length could prevent vessels from having access to the resource in a way that fits their fishing schedules to meet market demands.

For FG sectors, trip limits have already been reduced to levels that minimize catch. Accordingly, there is not much savings that could be achieved by even lower trip limits, even if the fishery went to non-retention.

Advantages of Action Alternatives

Either of the action alternatives will likely have some negative consequences if it is assumed that that blackgill is not declared overfished, and hence the ACL is not changed. Table 4-13 in the Draft Environmental Assessment (Agenda Item I.6 Attachment 1, November 2015) document indicates that the action alternatives will likely have overall negative economic impacts, though some communities will experience positive effects. Additionally, given the current inefficiency in the market of quota pounds, there is potential that the action alternatives could become a "choke species" that constrains groundfish harvest. While, the formation of risk pools could mitigate this risk to some degree, it may not eliminate it entirely.

Under any action alternative, if blackgill rockfish were declared overfished then the effects on the fleets as a whole would be less disruptive than under No Action. Both blackgill rockfish and the SSRF complex would already be allocated using formulas that reflect historical fishing practices and quota would not be stranded in one sector and unavailable to the other, making either of the two proposed action alternatives better options as management methods.

Removing blackgill rockfish from the SSRF complex would allow more refined and conservative management of this stock. The most recent assessment of blackgill rockfish (2011) indicated that the stock is in the precautionary zone at a 30 percent depletion level. The assessment also indicated that this stock is characterized by slow growth and late maturation. These characteristics, coupled with uncertainty regarding the future behavior of IFQ vessels (i.e., whether-blackgill rockfish is targeted), having few management measures in the toolbox to affect harvest in the trawl sector, and the restrictive measures already in place for the limited entry and open access non-trawl fixed-gear sectors, argues against the No Action Alternative. The GMT recognizes a risk of overfishing, the level of risk is uncertain, as well as fairness and equity issues regarding blackgill rockfish and SSRF allocations. The GMT acknowledges that either action alternative may address these concerns. Since both action alternatives in the Draft Environmental Assessment (Agenda Item I.6 Attachment 1, November 2015) are similar in the allocation ratios they provide, the GMT does not have a recommendation as to which alternative should be selected.

Accumulation Limits

If the Council chooses to pull blackgill rockfish out of the complex as proposed in the two action alternatives, the Draft Environmental Assessment (Agenda Item I.6 Attachment 1, November 2015) document indicates that some vessels would have exceeded the quota pounds (QP) use limits based on 2011-2014 landings data. Should the Council decide to recommend an action alternative, the GMT discussed that the Council could consider changes to QP used limits to accommodate the recent behavior of IFQ vessels with high landings of blackgill rockfish.

GMT Recommendation

Past fishery behaviors and harvests compared to the OFL and ACLs do not demonstrate an overfishing concern (Figure 1). However, past fishery performance, particularly prior to the implementation of the Trawl Rationalization Program, are not necessarily indicative of future behavior. If behavior changes in the Shorebased IFQ Program and harvest of blackgill rockfish, combined with harvest from the FG fisheries, does become an overfishing concern, then application of existing management tools to address an overfishing concern would be adverse to industry.

The GMT also notes that there is a fairness and equity issue, as trip limits to keep harvest of blackgill within the ACL and harvest guideline were implemented for FG fisheries in 2013, eliminating targeting opportunities. Removing blackgill rockfish from the SSRF complex and reallocating it could resolve equity issues associated with the FG sector who is currently bearing the burden of lower trip limits since 2013.

The GMT recommends the Council consider the risk of overfishing blackgill rockfish south of 40° 10' N. latitude. The GMT recommends the Council consider removing blackgill rockfish from the SSRF complex in order to allow more refined and conservative management of this stock and to address fairness and equity concerns with how blackgill rockfish and the SSRF complex are allocated between the trawl and non-trawl fixed-gear sectors.

PFMC 11/17/15