

GROUND FISH MANAGEMENT TEAM REPORT ON
SCOPING TRAWL SECTOR QUOTA POUNDS TRADING

The Groundfish Management Team (GMT) reviewed the proposed purpose and need and scoping options under this agenda item and offers the following comments. This item was a result of the Council prioritizing two omnibus trawl action items: “Allow Between Sector Transfer of Rockfish Quota Pounds (QP) from Individual Fishing Quota (IFQ) to Mothership (MS)” and “Allow Between Sector Transfer of Unneeded Overfished Species” in June (see items 54 and 55 in [Agenda Item G.6, Attachment 2, June 2016](#)).

At this juncture, the Council is tasked with developing the problem statement and establishing the scope of action. If the Council chooses to maintain the scope of the initial action as described, the **GMT recommends that the purpose and need shown in [F.4, Attachment 1](#) be revised as follows:**

The need for the proposed action is to allow individual fishermen and co-ops to acquire additional quota for some species to continue fishing for target species.

The purpose of the proposed action is to increase the attainment of target species by allowing the transfer of ~~excess~~ quota across sectors in order to better achieve optimum yield.

The GMT proposes to delete the word “excess” because the quota being transferred may not necessarily be excess.

Based on the proposed purpose and need, the GMT recommends that the Council remove Option 2, “Move quota at a higher level via Council action and rebalance scorecard inseason”, which pertains to trawl QP trading. This option may not meet the catch share program objectives because scorecard management increases the role of the Council to make decisions related to the transferability of quota that were intended to be made by individuals and the co-ops. Further, this approach only provides a transfer mechanism from the at-sea sectors to the shorebased sectors and would require action by the Council during routine inseason action. Typically in scorecard type management, the Groundfish Advisory Panel (GAP) brings forward a consensus on if and when to move quota. As such, it is unlikely that the at-sea sectors would be in favor of transferring allocation prior to the completion of the Pacific whiting season given the uncertainty surrounding future bycatch events. Additionally, the consequences of moving allocation prematurely and “getting it wrong” could result in early closures of the at-sea sector. If the transfer only occurred after the at-sea whiting fishery is completed, it would have limited benefit to the shorebased IFQ sector given the likely timing of attainment, which is typically toward the end of the year. Based on these limitations, the GMT believes that the likelihood of the effectiveness is nominal compared to the anticipated workload.

Under the stated purpose and need, the GMT recommends retaining Option 1 for analysis, as described in [Agenda Item F.4, Attachment 1](#), which would create QPs for canary, darkblotched, widow rockfish, and Pacific ocean perch (POP) within the at-sea sectors, and allow trading among all three trawl sectors. If this Option is further advanced for scoping, the GMT believes that

consideration should be given to establish a trading cap between the at-sea sectors and the shorebased sector in order to prevent one sector from acquiring QPs at a high enough level that could limit opportunity in other sectors.

GMT Proposal

The GMT discussed the importance of crafting a problem statement that more broadly describes the issue the Council is attempting to address, given the considerable amount of work that is currently underway or has already been completed around the issue of flexibility.

The Council has spent a lot of time considering ways to address issues of rigidity in the management scheme, including: (1) inseason transfers of overfished species from the off-the-top deductions; (2) considering voluntary transfers of IFQ associated with the IFQ sector to the mothership sector with transfer caps; (3) buffers to reduce the fishery harvest guideline (HG) below the annual catch limit (ACL); (4) developing an alternative (considered under Agenda Item F.7) to change the current “hard-cap” allocations for select species to “soft-cap” set-asides; (5) a wide variety of measures put forward as part of the Omnibus considerations; and finally (6) the proposal of QP trading across all trawl sectors.

The Council has several pathways forward to accomplish the goal of increased flexibility to better achieve optimum yield (OY). These pathways could be considered independently, with separate agenda items, processes, and timelines, or the Council could choose to take a more holistic approach, as many of these items are inextricably linked, by combining actions to accomplish the greater goal of increased flexibility. For example, the Council could consider using the buffer approach for 2017-2018, change management of bycatch species in the at-sea sector from allocations to set asides (until changed), and then consider other long-term solutions after 2021 that would be developed during the five year review of catch shares and intersector allocations (e.g., trawl trading). The GMT believes that analysis of the GMT proposal could begin now and then be supplemented with analysis from the 5-year review.

Therefore, the GMT recommends that the Council take the more holistic approach by considering the two Omnibus items outlined in this agenda item within the context of the existing Groundfish Fishery Management Plan (FMP) framework, and retitling the actions as “Addressing Flexibility within Intersector Allocations.” The GMT believes that by expanding the scope of the initial action, including bringing in considerations for the non-trawl sector and evaluating the options in relation to other ongoing Council actions (e.g. [Agenda Items F.5](#), and [F.7](#), at this meeting), that a more effective and long-term solution to increasing flexibility and opportunity to subsequently increase attainment of OY can be found for target and healthy stocks.

Revised Purpose and Need

During discussions, the GMT concluded that the purpose of the action considered here is to consider ways to potentially increase the level of flexibility that is allowed within the groundfish fisheries by providing mechanisms to allow for better attainment of OY while still achieving the primary objectives laid out in Amendments 20 and 21. Expanding the scope of this action could potentially increase the complexity and workload associated; however, initially scoping a more

comprehensive approach may provide some long-term benefits and address additional actions that may arise in the future.

If the Council would like to broaden the scope of action, then the GMT recommends the current purpose and need be amended as follows:

The purpose of the proposed action is to add flexibility into the sector allocations while maintaining individual accountability and facilitating self-regulation and co-op management by the trawl sector as a whole.

The need for the proposed action is to better obtain optimum yield.

Options for Scoping

If the Council chooses to broaden the purpose and need as suggested by the GMT, we suggest adding the following new options for scoping in addition to Option 1, as they also meet the GMT proposed purpose and need, as well as take into consideration the broader goals in the FMP (e.g. to manage to OY, keep catch within ACLs, have year-round fisheries (where possible) etc.)

GMT Option 2: Expand the species under Option 1 to include some or all of the species currently managed as set-asides in the at-sea sectors

GMT Option 2 is intended to expand the number of species that can be traded between sectors in order to better attain OY by not stranding species at the sector or individual level.

GMT Option 3: Change all non-whiting at-sea allocations to set asides, harvest guidelines, or annual catch targets (Similar to the proposed action under Agenda Item F.7)

GMT Option 3 would change canary, darkblotched and widow rockfish, and POP into at-sea set asides. The Council may take action under Agenda Item F.7 to make darkblotched and POP into sector-specific set asides for the at-sea sectors. However, set asides are not managed inseason unless there is a risk to a harvest specification, another sector is affected, or there is a conservation concern. The GMT believes the Council could also consider HGs or annual catch targets (ACTs) for these four species, which would not result in an automatic closure (like an allocation), but could be managed inseason if the Council deems it necessary (unlike set asides).

GMT Option 4: Reconsider allocations and/or the management tools used to apportion catch between trawl and non-trawl after the intersector allocation scoping being conducted in the 5 year review process

Along with the five year review of the IFQ program, the intersector allocation of the groundfish species are also being scoped. This includes Amendment 21 species, such as darkblotched, and other formally allocated species, like sablefish. Currently, significant amounts of trawl dominant species are being “stranded” in the non-trawl sector (e.g., petrale sole), and revisiting the initial allocations to the trawl sector may provide trawl fishermen additional quota, particularly for choke species, without having to acquire it on the market.

When considering expanding the scope of this Agenda Item, the Council should consider what the long-term goal of all of these options are aimed at achieving. The GMT believes the ideal long-term goal should be to increase the flexibility for all sectors to obtain OY (i.e., not strand fish) while maintaining individual accountability so that industry can self-regulate. As mentioned above, several pathways are being pursued toward reaching this goal, many are linked, and each has various potential timelines for implementation.

GMT Recommendations:

If the Council chooses to maintain the scope of action as initially proposed:

- **The GMT recommends that the Council consider removing Option 2 from further consideration**

If the Council chooses to take a more holistic approach as described in the GMT proposal:

- **The GMT recommends considering the two Omnibus items outlined in this agenda item within the context of the existing Groundfish Fishery Management Plan (FMP) framework, and retitling the actions as “Addressing Flexibility within Intersector Allocations.”**
- **The GMT recommends that the Council consider removing Option 2 from further scoping and adding GMT Options 2, 3 and 4.**

PFMC
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