

## GROUND FISH MANAGEMENT TEAM REPORT ON GEAR SWITCHING FOR SABLEFISH IN THE TRAWL CATCH SHARE FISHERY

The Groundfish Management Team (GMT) received a presentation from Dr. Jim Seger and Ms. Jessi Doerpinghaus (Pacific Fishery Management Council [Council] staff), reviewed documents and public comments in the briefing book, and offers the following feedback for consideration.

### **Selecting a Range of Alternatives**

The intricate alternatives developed to date require decisions amongst a profusion of sub-options, as laid out in [Agenda Item G.1, Attachment 2, November 2020](#). Projecting the costs and benefits of these alternatives with sub-options will be complex and difficult to summarize for decision makers and stakeholders, given that the alternatives contain multiple elements that could be swapped, combined, or eliminated. The existing alternatives may not offer a sufficient range of the total amount of gear switching possible for the Council's consideration, relative to the purpose and need developed in September 2020. The Groundfish Advisory Subpanel (GAP) identified this issue in [Agenda Item D.1.a, Supplemental GAP Report 1, September 2020](#), along with a table laying out the uncertainty about potential gear switching levels under some of the alternatives currently under consideration. The September 2020 analysis discussed a wide range of potential explanations for low attainment, including gear switching ([Agenda Item D.1, Attachment 1, September 2020](#)). Many of these issues fall outside the Council's direct sphere of control or influence. With multiple factors limiting attainment, the GMT suggests simplifying the alternatives and analysis to consider potential changes in non-whiting groundfish utilization at various levels of gear switching.

**The GMT recommends the Council select an initial range of alternatives (ROA) for the overall level of gear switching in the fishery at this meeting. The Council would then select a target level of gear switching to inform adoption of the range of proposed alternatives at a subsequent meeting.** The discussion of the overall level of gear switching permitted would help assess potential to improve utilization of the trawl sector allocation by restricting gear switching.

For example, alternatives could be:

- 0 percent: No gear switching
- 10 percent: Limited gear switching
- 33 percent: 2016-2019 average
- 50 percent: Increase over status quo
- No Action: No restrictions on gear switching

The Council and stakeholders should consider the potential impacts of different levels of gear switching on overall utilization of the non-whiting trawl allocation, and on coastwide and community level revenues, while keeping in mind the qualitative objectives identified in the purpose and need. These impacts are currently difficult to understand due to the complexity and uncertainty of the alternatives in analyses to date. The Council may wish to have the Economics

Subcommittee of the Scientific and Statistical Committee review projections of gear switching under the no action and action alternatives.

The alternatives in [Agenda Item G.1, Attachment 1, November 2020](#) offer overlapping levels of gear switching, but vary in the distribution of costs and benefits from the reallocation of unrestricted gear privileges in the short and long term. After the Council determines the level of gear switching that seems likely to improve non-whiting trawl utilization, they can consider the impacts of any redistribution of allocations and select the best tools to achieve the desired amount of gear switching.

### **Comments on the Sablefish Management and Trawl Allocation Attainment Committee (SaMTAAC) Proposed Alternatives:**

The GMT discussed the SaMTAAC proposed alternatives in [Agenda Item G.1, Attachment 1, November 2020](#), and offers the following comments, which are primarily focused on the management implications under each alternative and opportunities to streamline the workload of tracking the fishery.

#### **No Action**

The GMT suggests the analysts further develop a No Action baseline alternative that describes how the fishery could be impacted if gear switching is not limited in the individual fishing quota (IFQ) fishery. Future trawl utilization will be impacted by many factors, including, but not limited to global prices, biomass and resulting harvest levels in Alaska, British Columbia, and the West Coast, and residual impacts from the pandemic on both supply and demand.

The GMT suggests analysts provide either quantitative or qualitative information to support a range of possible scenarios under No Action, with assumptions and likelihood of each end of the range supported with historic data when feasible. Such considerations include:

- Continued low sablefish prices, as observed in 2019 through the present, versus a return to the high prices of 2016
- Increased, 2016-2019 average, or decreased level of unrestricted gear switching
- Increased, 2016-2019 average, or decreased processor purchases of Dover sole and other co-occurring stocks
- Increased, 2016-2019 average, or decreased sablefish annual catch limits
- Observed range of catch ratios for target stocks

The considerable uncertainty around these factors make it difficult to assess likely outcomes of the gear switching action alternatives. Incorporating assumptions about the future under a No Action baseline in the analysis will help decision makers determine whether the causes and potential solutions fall under the Council's purview. If so, alternative impacts can be compared to the baseline to identify those most likely to accomplish the Council's objective. **The GMT recommends the Council direct analysts to provide a description of the No Action baseline and identify key assumptions that will serve as the benchmark for comparing action alternatives.**

## **Alternative 1**

### Trawl Quota Pound Debiting

Under Alternative 1, either 30 or 10 percent of a qualifying quota share (QS) account's quota pounds (QP) will be given an "unrestricted" gear designation, which the GMT understands to be any legal groundfish gear. Attachment 1 states:

*"Northern sablefish caught with trawl gear could be covered with trawl-only or unrestricted QP. A vessel using trawl gear that had both trawl-only and unrestricted QP in its account would designate which type of QP would be used to cover the landing."*

In other words, the vessel that has both trawl-only and unrestricted gear would need to manually indicate from which gear-specific QP the landing should be deducted. This self-selection from a specific gear designated QP introduces potential user and administrative error, which could lead to mis-accounting of quota and necessitate a mechanism to make in-season corrections.

Similar to the automatic debiting of stocks by management area and carryover QPs within the IFQ fishery, **the GMT recommends the Council replace self-designation of gear-specific QP under Alternative 1 with a provision in which their trawl landings are automatically debited from their trawl-only QP before debiting from the unrestricted QP.** Automatic debiting would reduce administrative complexity and potential for mis-reporting and related program costs while limiting the proportions of sablefish QP allowed to be harvested with non-trawl gear. Given the choice, the GMT assumes that most vessels fishing with trawl gear would choose to debit trawl-only QP first because unrestricted QP could potentially be leased at a higher price per pound later in the year.

**The GMT recommends this part of Alternative 1 be changed to:**

*"Northern sablefish caught with trawl gear could be covered with trawl-only or unrestricted QP. A vessel using trawl gear that had both trawl-only and unrestricted QP in its account would automatically debit trawl-only QP first for landings made with trawl gear."*

### Conversion Dates

Because each element of the alternatives requires analytical time and effort along with explanation and summary for decision makers at the Council meeting, the GMT proposes simplifying the alternatives to the extent practicable. The conversion date analysis available to date does not indicate that there would be appreciable impacts on the availability of trawl gear quota or gear-switching quota (compared to the 2016-2019 average level of gear switching) and thus **the GMT recommends eliminating the conversion date sub-option if Alternative 1 is included in the ROA.** Data shows that gear switching landings are higher later in the year ([SaMTACC Agenda Item F, Attachment 1, May 2019, Chapter 7](#)). If this were to hold true, there may be less utility in converting trawl-only QP into unrestricted QP during the year.

## **Alternative 2**

The GMT is not providing any recommended changes to Alternative 2.

## **Alternative 3**

### Exemption Qualification

The exemptions from the active trawler requirements under Alternative 3 are complicated because they create and rely on a nexus between the vessel, QS account, and limited entry permits. There may be some ways to simplify the program administratively while still achieving the primary objectives of the proposals. National Marine Fisheries Service (NMFS) provided initial feedback on these alternatives that indicated this Alternative would be a high “relative implementation & administrative burden & cost” relative to Alternatives 1-2 ([April 2020](#)). **The GMT recommends proposal designers work with Council staff and NMFS to find ways in which to simplify Alternative 3 without compromising its intended purpose to attribute and cap gear switching levels for individual vessels based on their historical participation using either trawl or fixed gear to harvest sablefish.**

### **Public Comment Alternative**

The GMT notes the 10 percent gear switching limit in [public comment](#) and has incorporated a 10 percent limitation in gear switching in our recommendation on consideration of a range of limits at this meeting (first section of this report). Some specifics of this proposal are similar to those in Alternative 3, and if the Council elects to include this in a final ROA, the GMT will provide more detailed feedback at a later date.

### **Summary of GMT Recommendations:**

- 1. The GMT recommends the Council select an initial ROA for the overall level of gear-switching in the fishery at this meeting. The Council would then select a target level of gear switching to inform adoption of the range of proposed alternatives at a subsequent meeting.**
- 2. The GMT recommends the Council direct analysts to provide a description of the No Action baseline and identify key assumptions that will serve as the benchmark for comparing action alternatives.**
- 3. Relating to Alternative 1, if it is included in the ROA:**
  - a. The GMT recommends the Council replace self-designation of gear-specific QP under Alternative 1 with a provision in which their trawl landings are automatically debited from their trawl-only QP before debiting from the unrestricted QP (suggested language revisions above).**
  - b. The GMT recommends eliminating the conversion date sub-option.**
- 4. Relating to Alternative 3, if it is included in the ROA:**
  - a. The GMT recommends proposal designers work with Council staff and NMFS to find ways in which to simplify Alternative 3 without compromising its intended purpose to attribute and cap gear switching levels for individual vessels based on their historical participation using either trawl or fixed gear to harvest sablefish.**