

LE FIXED GEAR
CATCH SHARE
REVIEW – DRAFT
AND PROCESS

AGENDA
ITEM E.4.
MARCH
2022

PROCESS

Meeting 1 (June 2021): *Council guidance on process and scope*

Meeting 2 (March 2022): *Council approves public review draft and determines process for considering new management measures*

Meeting 3 (June 2022): *Council finalizes review, including R&D needs and recommendations on potential future actions*

COUNCIL ACTION

1. Decide on the process to be followed in completing the review, including
 - a. how to move forward on the sections covering research and data needs and Council recommendations, and
 - b. whether to undertake a concurrent process to develop any proposals for new management measures related to the review or to take up those measures after the review is completed.
2. Adopt the draft review document for public review.

REPORTS

- Attachment I
- NMFS Report on Cost Recovery
- NMFS Report on Base Permit Designation
- NMFS Report on Catch Share Policy
- Supplemental AB Reports
- Supplemental Public Comments

PROGRAM HISTORY AND KEY MANAGEMENT MEASURES

- Catch share program established with Amendment 14 (2001)
 - Lengthened season date from a derby fishery to the current season of April 1-October 31
- Vessels must have a sablefish endorsed LEFG permit
 - Permits are assigned to Tier 1, Tier 2, or Tier 3 (3.85 : 1.75 : 1)
- Vessels can stack up to three permits at one time
- No entity may own or hold more than 3 permits
- Owner-on-board requirement and exemptions



DOCUMENT OUTLINE AND UPDATES FROM JUNE 2021

To be developed through advisory body and public review, comment, and Council final adoption of review

Section 1: Introduction

Section 2: Performance and Review

Section 3: Research and Data Needs

Section 4: Conclusions

Section 5: Council Recommendations

Appendix A: Net Revenue Study

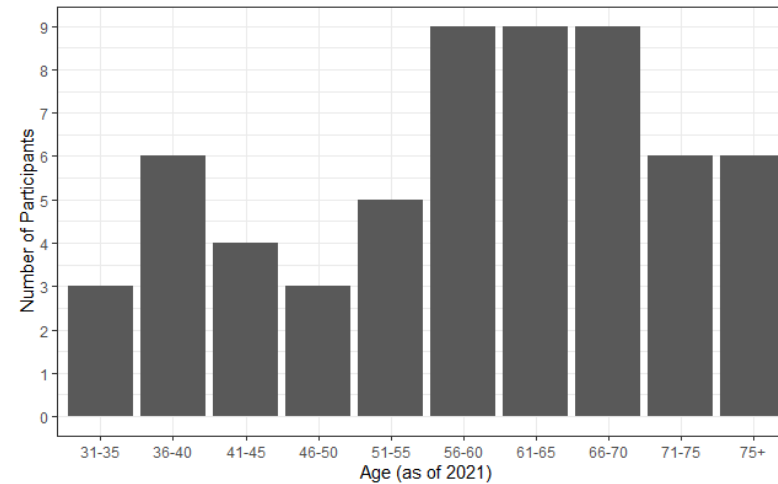
Appendix B: Enforcement Report

Appendix C: NWFSC Survey

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- Updated data summaries to include 2020 data.
 - Incorporation of NWFSC survey data throughout document
 - Section 2.1.1: New analysis on capacity related to permit
 - Section 2.1.1: Additional analysis related to permit prices
 - Section 2.1.1: Added net revenue analysis summary
 - Section 2.1.1: Owner on Board analysis
 - Section 2.1.8: Additional highgrading analysis related to SSC request
 - Section 2.7: Expanded Background related to Cost Recovery
 - Appendix A: Net revenue analysis from NWFSC
 - Appendix B: Enforcement Compliance Report
 - Appendix C: NWFSC West Coast Fisheries Participation Survey

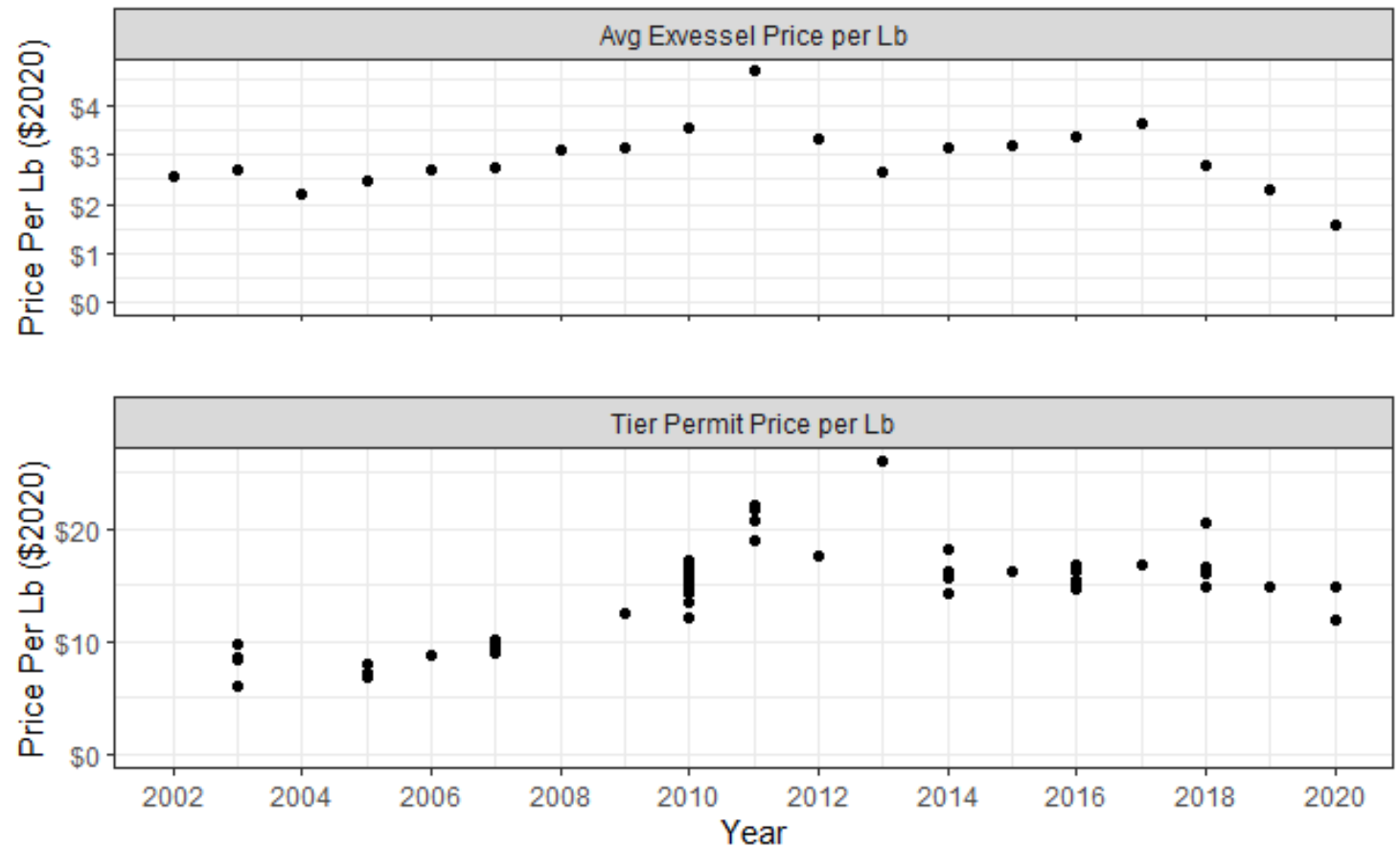
NWFSC WEST COAST FISHERIES PARTICIPATION SURVEY

- Majority of participants live in coastal counties for OR and CA, Puget Sound in WA
- 60+% of respondents indicate that they captain their own vessels
 - Compared to around 40 percent of the permits require the owner to be present
- “Do you have adequate access to processors or first receivers in order to sell your catch?”
 - 2/3rds say yes
 - No respondents- N CA, S OR and PS for WA
- Average age= 59



PERMIT PRICE ANALYSIS

- 2014 Council recommendation to collect permit price information- not prioritized
- Limited information available from Dock Street Brokers
- Similar trends in the price per pound and permit per pound of quota.



NET REVENUE

Change since 2010 (2014-2017 data compared to 2010 – Table 11)

- ***All LEFG Groundfish Vessels***

- Average Revenue Per Vessel – Down
- Average Cost Per Vessel – Down more
- Net Revenue Per Vessel – **Up 9%** (TCNR)
 - Exceptions 30'-50' vessels and California vessels

Note: Table 11, footnote a/ should be deleted (applies to Table 12).

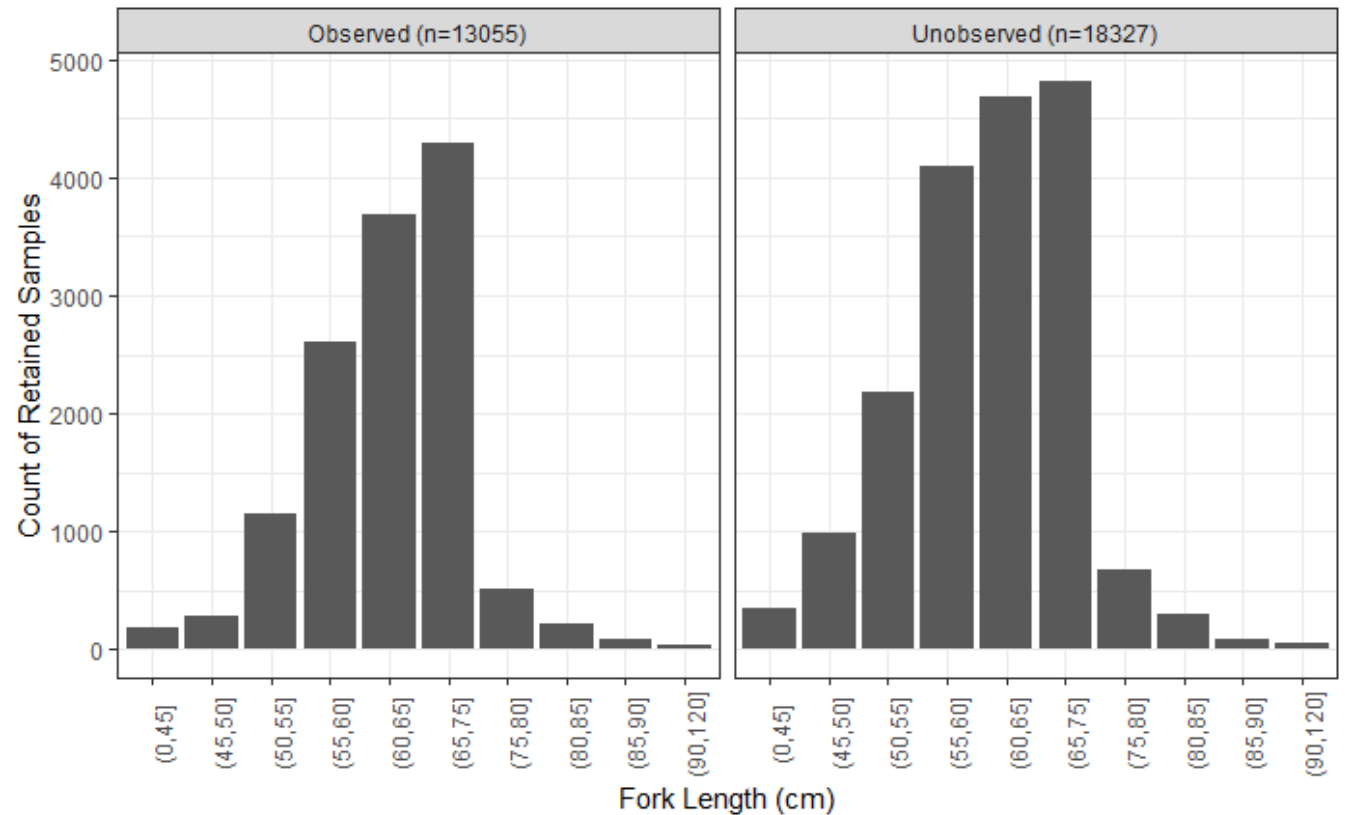
- ***Sablefish Endorsed LEFG Vessels*** – Net Revenue Per Vessel – **Down 13%** (TCNR)

LEFG vessels that also gear switch > profits than other LEFG vessels (Table 12)

- \$93 thousand compared to \$19 thousand per vessel (vessel size difference explains some of difference)

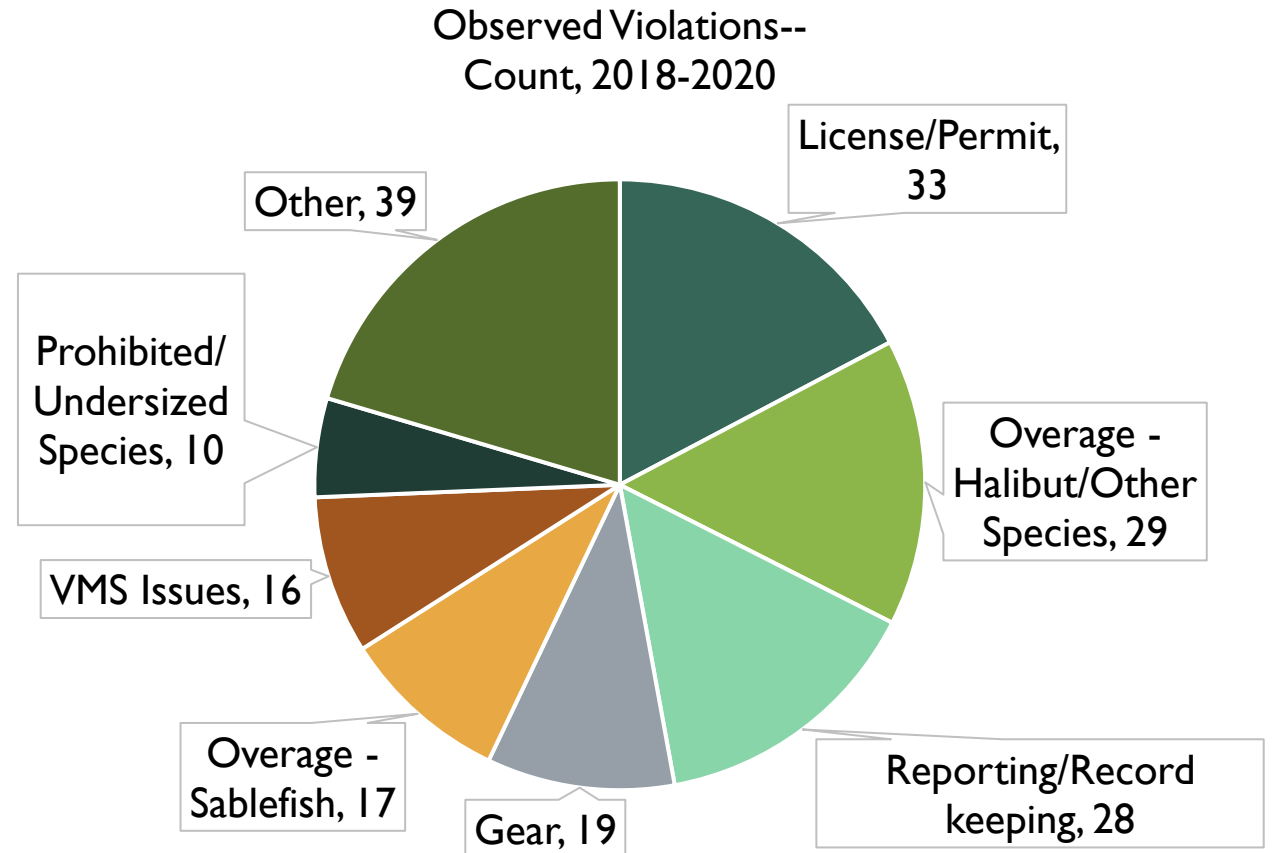
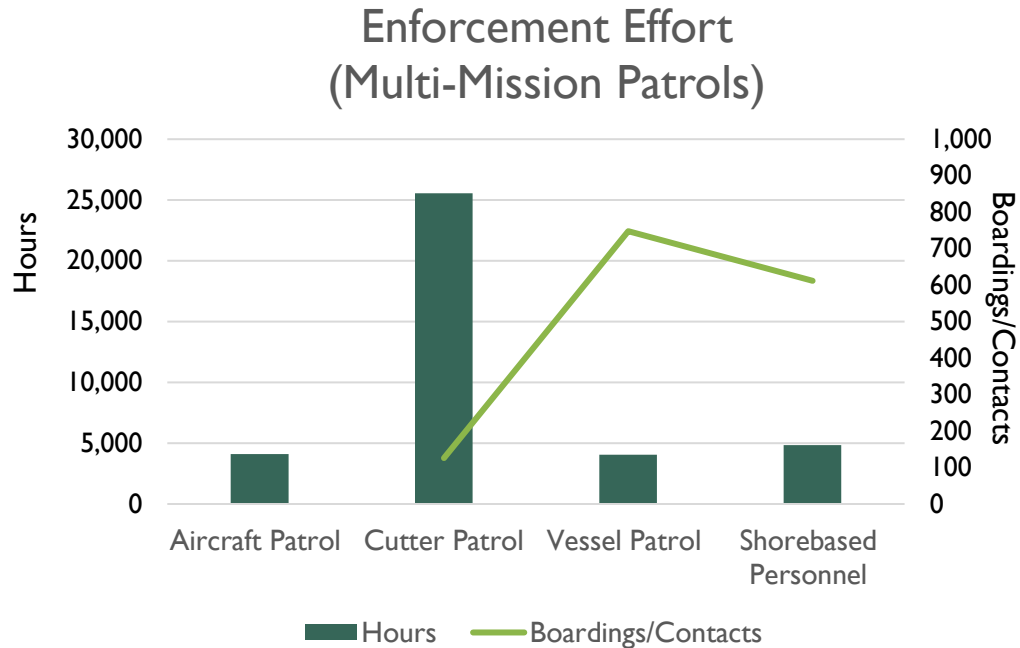
HIGHGRADING ANALYSIS: OBSERVER EFFECT

- SSC Request from June 2021
- Previous analyses indicated that the LEFG fleet highgrades
- Unlike IFQ, discards do not count against tier limit- therefore, no cost in highgrading
- Fishing behavior doesn't appear to change with presence of observer



ENFORCEMENT COMPLIANCE REPORT

- Between 2018-2020, average of
 - 83% compliance rate for the longline fleet
 - 80% compliance rate for the trap/pot fleet





SECTIONS 3.0 – 5.0

SECTION 3.0: RESEARCH AND DATA NEEDS

From 2014 Review:

1. Routine collection of permit sale prices to indicate the market value of the fishery.
2. Collect information about crew, captains, and owners of vessels to inform economic impacts.

SECTION 4.0: CONCLUSIONS

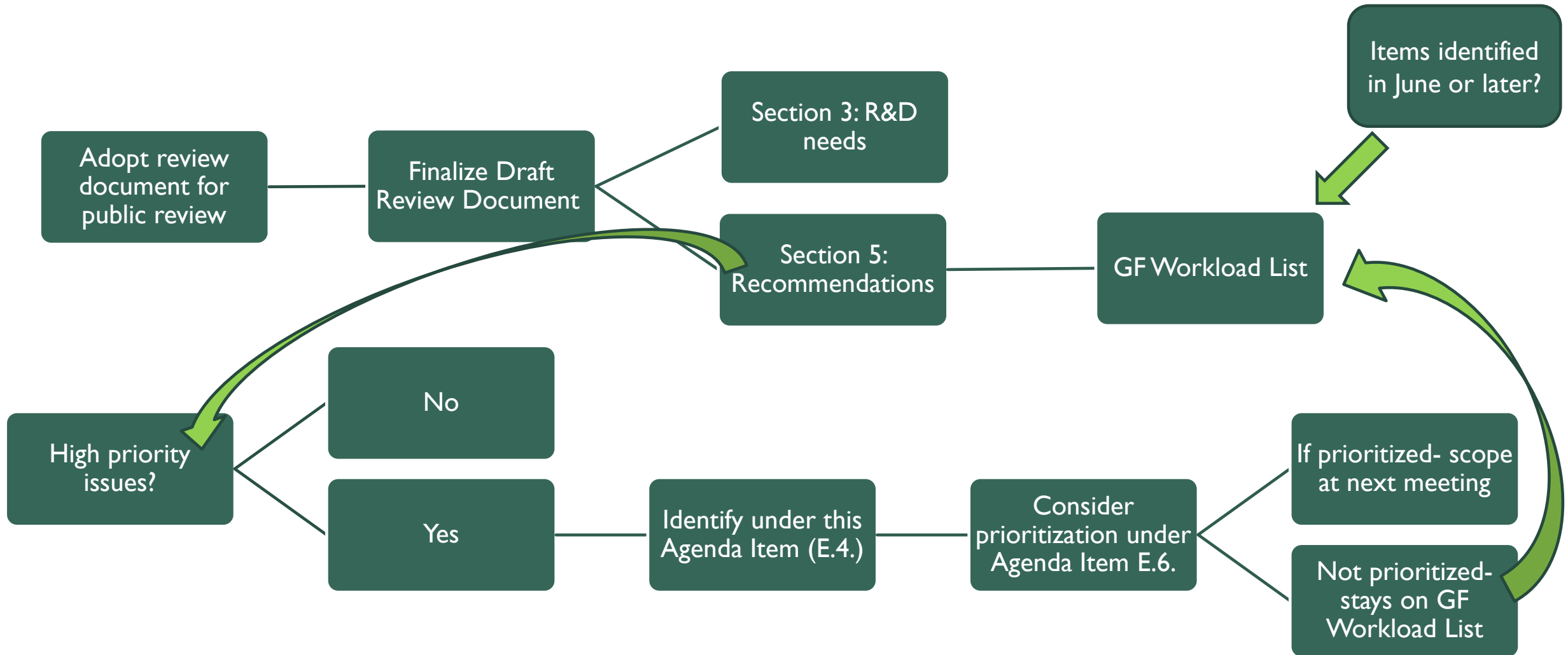
The LEFG program appears to be continuing to meet the goals and objectives of Amendment 14. Few changes have occurred since the previous review in 2014. Therefore, this review was kept narrowly focused on new information, taking into consideration the NMFS Catch Shares Review guidelines.

SECTION 5.0: COUNCIL RECOMMENDATIONS

To be completed

SECTION 5.0: COUNCIL RECOMMENDATIONS

Recommendation	Status
Permit Price Reporting	On GF Workload List (Agenda Item E.6.)
Require that all pot gear be returned to shore at the end of each fishing trip.	Removed in 2016 b/c conflicted with VMM Rule
Convert daily trip limits to a tier endorsement.	Removed from GF Workload List in Nov 2018 based on GMT and GAP recommendations
Combine longline and pot gear limited entry gear endorsements into a single fixed gear endorsement.	
Move the seaward line of the Rockfish Conservation Area (RCA) closer to shore for pot vessels.	Part of the NT RCA action (next scheduled for April 2022)



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2. Adopt the draft review document for public review.

COUNCIL ACTION

- ✓ Adopt the review document
 - ✓ Research and data needs
 - ✓ Recommendations
- ✓ Process to consider recommendations



QUESTIONS?