

GROUND FISH MANAGEMENT TEAM REPORT ON SABLEFISH GEAR SWITCHING

The Groundfish Management Team (GMT) reviewed the briefing book materials and public comments and received a presentation from Dr. Jim Seger of Pacific Fishery Management Council (Council) staff, as well as guidance from Ms. Jessi Doerpinghaus of Council staff. The Council action at this meeting is to “refine alternatives adopted for analysis..., as needed” and to “provide guidance on analysis, as needed.” As the GMT has stated in the past, we recognize that action on this item is largely a policy call, but we do offer some comments based on our understanding of the Council’s goals and objectives for this overall action. The GMT provided other comments and recommendations on the gear switching issue at the November 2020 ([Agenda Item G.1.a, Supplemental GMT Report 1, November 2020](#)) and September 2021 ([Agenda Item C.5.a, Supplemental GMT Report 1, September 2021](#)) Council meetings, some of which may no longer be applicable given recent changes to the Range of Alternatives (ROA).

Timeline

The Council is currently scheduled to take preliminary preferred action (PPA) on this item in November 2022, followed by final preferred action (FPA) in April 2023. Recognizing that this meeting is an opportunity to refine the alternatives, the GMT is concerned that significant revisions to the ROA, such as the addition of new alternatives that had not been previously proposed, would result in further delays to selection of the PPA and FPA. Such delays are likely to impact other groundfish items the Council will need to take up, such as program reviews and prioritized new management measures.

Baseline

The GMT discussed which years are most appropriate to use when considering the Baseline and agrees with the Scientific and Statistical Committee (SSC) on recommending an approach that includes multiple past years as a proxy for a range of possible future scenarios ([Agenda Item F.5.a, Supplemental SSC Report 1, June 2022](#)). **Specifically, for the Baseline, the GMT recommends using 2013 to represent a year in which there were low sablefish annual catch limits (ACLs) and low participation, 2019 to represent a year with high ACLs and high participation, and 2021 to represent a year with high ACLs and low participation.** Given the variability in future conditions, especially for sablefish, including years like 2021 in which markets were poor and allocations were high, in addition to “better” years like 2019, may provide a more balanced view of baseline conditions and account for natural fluctuations in markets and participation outside of this action. The GMT has commented in the past on how best to account for both “normal” and “anomalous” years and continues to believe that, “a broader discussion across FMPs and Council bodies will need to take place to truly understand how historical data can inform predictions about the future” ([Agenda Item C.5.a, Supplemental GMT Report 1, September 2021](#)).

Range of Alternatives

Keeping in mind the potential impacts to other groundfish items if this action is delayed, the GMT is generally supportive of an ROA that attempts to maintain as much simplicity and flexibility as possible. For simplicity, the Council should consider whether or not alternatives, options, or sub-

options included (with the exception of No Action) would accomplish the Council’s objective of “keep[ing] northern sablefish gear switching from impeding the attainment of northern individual fishing quota (IFQ) allocations with trawl gear, while considering impacts on current operations and investments” (Purpose and Need, [Agenda Item F.5, Attachment 4, June 2022](#)). If the Council believes that limiting gear switching to 29 percent would, at a minimum, improve the opportunity for trawl vessels to attain their northern IFQ allocations, the GMT points out that both alternatives currently put forward would seem to accomplish this objective. Other options and sub-options within those alternatives appear to largely be policy decisions that may be unnecessarily complex to meet the Purpose and Need. Furthermore, given the variety of possible partnership and linkage scenarios presented by the analysts, it is clear that a single method (e.g., cases where there are multiple qualifying entities connected to the same or multiple quota share (QS) accounts, under Alternative 1) would not meet the needs of all participants or entities in the fishery who could potentially benefit from flexibility to make the most appropriate business decisions for themselves, within the bounds of limiting gear switching to 29 percent.

The way that the Alternative 1 QS Holder Classifications listed in Table 2 of [Agenda Item F.5, Attachment 2, June 2022](#) are titled seem to suggest that gear switching participants are not also IFQ participants. Although this is not likely the intention behind these titles, the GMT reminds the Council that gear switchers are in fact IFQ participants and not a separate sector from vessels using trawl gear. Gear switchers are simply taking advantage of a gear use flexibility built into the IFQ program. This is important to note, because the decision regarding QS splitting by gear type should not be viewed as an allocation split between sectors but rather between vessels within a single sector. This action would not create an additional sector beyond what already exists, and under the action alternatives, gear switchers would still be participants of the IFQ program. It is the GMT’s understanding that, if Alternative 1 is chosen as FPA, these are only temporary classifications used to determine the ratios of trawl-only and any-gear QS each entity receives on an annual basis and would not be used for any purpose after implementation of this action.

The GMT reviewed the public comments submitted and offers the following thoughts on the requests made. Any alternatives or options that would allow for all IFQ participants to use any gear type to fish their quota after a specified conversion date (i.e., June 1 or September 1) would not be expected to limit gear switching to 29 percent, because more than 50 percent of gear switching tends to occur after September 1st. Furthermore, any alternative or option that would disallow gear switching after the fleet-wide 29 percent limit is met would effectively create a “race to fish”, which is counter to the objectives of the trawl rationalization program. The GMT also reminds the Council that this action is a long-term policy that will be subject to natural market and allocation fluctuations. Implementing any one approach for only a few years and revisiting the issue to determine whether that approach is appropriate would not account for the long-term nature of this action, especially given the exceptionally high sablefish ACLs anticipated in 2023 and 2024.

Guidance on Provisions

Lastly, the GMT views many of the questions posed by the analysts to be policy decisions by the Council that would be best informed by input from industry participants and, therefore, does not attempt to answer them, with the exception of question #9 under Alternative 1. This question asks, “should the northern sablefish QS control limit (3 percent) and annual vessel [Quota Pound] use

limit (4.5 percent) be adjusted to take into account the division of the northern sablefish allocation into two pools. If so, how should that adjustment be carried out?” Consistent with our suggestion that the Council simplify this action, the GMT believes that meeting the Purpose and Need statement would not warrant a divergence from the pre-established limit on the proportion of QS or quota pounds any one entity can hold, which are currently 3 percent and 4.5 percent, respectively. **Therefore, the GMT recommends maintaining the 3 percent and 4.5 percent QS control and quota pound use limits, respectively, for all gear types and not dividing those limits into gear-specific limits to further simplify this gear switching action, recognizing that the control and use limit provisions are unrelated to the objective of limiting gear switching.** Ultimately, it is at the Council’s discretion as to whether these status quo limits need to be changed, but the GMT does not view that change as necessary to meet this action’s Purpose and Need. The GMT looks forward to hearing from fishery participants on the remaining provisions and to seeing additional analysis, both of which may hopefully elucidate some of the questions posed here.

PFMC
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