GROUNDFISH MANAGEMENT TEAM REPORT ON TRAWL CATCH SHARE PROGRAM AND INTER-SECTOR ALLOCATION REVIEW - PLANNING

The Groundfish Management Team (GMT) reviewed the briefing book materials on this agenda item, received an overview by Dr. Jim Seger from the Pacific Fishery Management Council (Council), and provides the following comments on the initial process planning for the Trawl Catch Share Program (CSP) and Inter-Sector Allocation Review.

Program Review Process & Timeline

The GMT did not see any issues with the review timeline proposed in <u>Agenda Item G.9</u>, <u>Situation Summary</u>, <u>September 2022</u>. The GMT recommends moving forward with the inter-sector allocation review as part of the CSP review, and the Council can decide in June 2023 whether further analysis is needed or whether to separate it from the CSP review. The GMT expects that Groundfish Advisory Subpanel (GAP) and other industry input will help inform how much analytical burden the inter-sector allocation and accumulation cap analyses will involve. The GMT also anticipates the potential for follow-on action items to be requested as a result of this CSP review.

Hearings

As part of the planning process, the Council will want to consider whether to hold hearings in spring 2023 with the goal of soliciting input on the program review or any requests for follow-on actions. Participants of the trawl industry have indicated that such hearings were extremely valuable during the prior trawl CSP review, but given that it was the first program review since implementation, those hearings may have been more useful at that time than possible hearings held during this program review. The program and fishery have likely changed less in the last six years than in the six years after implementation of the CSP in 2011.

The GMT considered the possibility for the Council to utilize new technologies that have evolved since the last CSP review in 2017, such as virtual meeting platforms. Not only has the technology improved, but industry members are becoming more familiar with using the technology as part of the Council process, and the format is generally more inclusive to members who find it difficult to travel to an in-person meeting. If the Council believes that the scope of hearings during this 2023 review does not need to be as extensive as the last review, virtual hearings, or a combination of virtual and in-person hearings, may reduce the workload and resources needed to hold those hearings. The Council could also consider a more simplified method of collecting input, potentially in combination with hearings, such as a survey.

Additionally, the Council took final action on the Pacific Whiting Utilization package in March 2022, which is expected to be implemented in regulation before the May 1, 2023 start of the Pacific whiting season and will make several changes to management measures that apply to midwater trawl vessels targeting Pacific whiting. Given these new changes to improve utilization, fewer requests for follow-on actions may be forwarded at this review compared to the last review. However, there is an emerging midwater rockfish fishery in the trawl individual fishing quota

(IFQ) program that has grown in recent years. The Council should consider industry and public input as to whether hearings and the associated accessibility options would be advantageous for this review. Industry and public input on the inter-sector allocation review and accumulation caps/limits, specifically on how in-depth the analysis should be, may help the Council decide whether hearings are warranted.

The GMT notes that the Council is not scheduled to take up this agenda item again until June 2023 (Agenda Item C.8, Attachment 1, September 2022). While the GMT agrees with Council staff that initial program review could elucidate any elements of the program that would potentially benefit from hearings, the September meeting appears to be the only time the Council can weigh in on whether or not to hold hearings in spring 2023, unless the Council carves out time in the November Council meeting.

Program Review Content

The GMT agrees with Council staff that consideration of the "baseline" in the trawl CSP review should focus on trends throughout the program's history more than any single year or average of years. If a baseline must be selected, National Marine Fisheries Service (NMFS) guidance is that, "a baseline period of at least 3 years is preferable, but this may be modified depending on circumstances surrounding the creation and implementation of each program" (Catch Share Policy 01-121). NMFS guidance is also that a baseline should not be what would have been likely to occur in the absence of the CSP. The baseline used in the 2017 Trawl CSP Review was 2009-2010, because that was the period immediately prior to CSP implementation (2011) and included important Economic Data Collection data (West Coast Groundfish Trawl Catch Share Program Five-Year Review).

While considering trends throughout the program's history, the GMT recommends selecting a baseline period of 2012-2015 given that several important Amendment-21 groundfish stocks have been rebuilt since 2015 (i.e., canary rockfish, petrale sole, Pacific ocean perch, boccaccio, darkblotched rockfish, and cowcod), which impacted subsequent trawl participation and effort. The emerging midwater rockfish fishery has grown steadily since around 2015 as well. The GMT recommends using 2012 as the first year in the baseline rather than 2011, because industry often takes at least one year to calibrate to any new management measures or programs.

As previously noted, the Council recently took action to implement a package of changes to the trawl sectors targeting Pacific whiting that aim to improve utilization of the Pacific whiting allocations. The Council is also scheduled to take final action in April 2023 on changes to the gear switching allowance within the trawl CSP. Those actions, and their potential impacts to the CSP, should be considered and incorporated by reference as part of this program review.

Lastly, representatives from all sectors have expressed the growing need for management flexibility, particularly in a changing climate and economy. The GMT encourages the review team to consider elements of the trawl CSP that could allow for more industry flexibility while still accomplishing the CSP's core objectives.

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