

FINAL TRAWL COST PROJECT PHASE 1 REPORT AND NEXT STEPS FOR THE TRAWL CATCH SHARE AND ALLOCATION REVIEWS

In 2022, the National Marine Fisheries Service (NMFS) provided the Pacific Fishery Management Council (Council) with funds for a contract to look more closely at catch share fishery costs that are borne by industry and NMFS. Council staff engaged Mr. Darrell Brannan to conduct the work.

The cost project covers three broad objectives:

- documentation of industry concerns and identifying costs related to specific program elements;
- comparison of those costs to similar catch share programs; and
- organization and presentation of the information for use in future deliberations.

The intent of the effort is to help managers and stakeholders develop a common understanding of how the catch share program design elements affect program objectives and costs. It should be noted that the focus is on current costs and their relationship to program design, not cost recovery. An initial draft report was presented at the April 2023 Council meeting, and a final draft is provided here as Agenda Item G.7, Attachment 1. The document includes a discussion of areas for potential cost savings (Section 5.0) and future steps the Council might want to consider (Section 6.0). NMFS has now provided funding for a second year of the trawl cost project (Phase 2). Under this agenda item, the Council should address priority topics and activities for Phase 2.

The trawl cost project has collected substantial information that is now available to inform the trawl catch share program review and the related intersector allocation review. Catch share programs must be reviewed at least once every seven years after the first review is completed (Magnuson-Stevens Act Section 303A(c)(i)(G)). Time between catch share reviews is counted from the start of the previous review. The [previous trawl catch share program review](#) was initiated in June 2016 and completed in November 2017. Integral to the Amendment 20 trawl catch share program are the trawl/nontrawl allocations that were mainly established through Amendment 21. The Council's trawl catch share action committed to a review of these allocations in conjunction with the catch share program review. Additionally, in response to the NMFS intersector allocation review policy, the Council committed to review other allocations in conjunction with its trawl catch share program review: sablefish north of 36° N. lat.; Pacific whiting allocation among trawl sectors; and trawl bycatch allowances of Pacific halibut (see [Council Operating Procedure 27](#)).

To avoid overlap with heavy workload on the biennial specifications, at the end of its first review, the Council specified a 6-year cycle for future reviews, with reviews to start on even-numbered years. Last fall (September and November 2022 Council meetings), the Council had preliminary discussions about the upcoming review. Plans to begin the review were put on hold due to the amount of time and focus required for the Council, staff, and public to complete deliberations on a possible limitation to the gear-switching allowed under the catch share program. The Council began consideration of the gear-switching issue pursuant to its first program review. Those deliberations appear to be on track for completion at the March 2024 Council meeting. To begin the second trawl catch share review and intersector allocation review at this meeting, the Council

should provide guidance on a process and schedule for moving forward, taking into account the substantial contribution of the cost share project to the catch share review. Council staff developed a straw proposal to provide a starting point for Council discussion (Agenda Item G.7, Attachment 2).

Council Action:

1. Review the final report for Phase 1 of the trawl cost project (including, in particular, Sections 5.0 and 6.0) and provide guidance for Phase 2;
2. Recommend next steps for the trawl catch share and allocation reviews (potentially including a schedule such as that suggested in Attachment 2).

Reference Materials:

1. Agenda Item G.7, Attachment 1: Comparative Cost Study for the West Coast Groundfish Trawl Catch Share Program (*Electronic Only*).
2. Agenda Item G.7, Attachment 2: Catch Share and Intersector Allocation Review Process.
3. If received, Public Comments are electronic only ([see e-portal](#)).

Agenda Order:

- G.7 Final Trawl Cost Project Phase 1 Report and Next Steps for the Trawl Catch Share and Allocation Reviews
- | | |
|--|-----------------|
| | Jim Seger |
| a. Final Trawl Cost Project Phase 1 Report | Darrell Brannan |
| b. Reports and Comments of Management Entities and Advisory Bodies | |
| c. Public Comment | |
| d. Council Action: Review the Final Report for Phase 1 of the Trawl Cost Project and Provide Guidance for Phase 2; Recommend Next Steps for the Trawl Catch Share and Allocation Reviews | |

PFMC
08/14/23