

MEMORANDUM

TO: Council, SSC and AP Members

FROM: Chris Oliver *Chris*  
Acting Executive Director

DATE: September 27, 2000

SUBJECT: Gulf of Alaska Rationalization

ESTIMATED TIME  
5 HOURS  
(for all D-1 items)

**ACTION REQUIRED**

Progress report.

**BACKGROUND**

During final action on AFA sideboard measures in December 1998, the Council added a framework proposal submitted by Alaska Groundfish Databank for pollock co-operatives in the Gulf of Alaska to staff tasking, noting that this task would not be started by staff until the committee formed to study this issue has completed its work.

A ten member Gulf of Alaska Co-op Committee convened in April, June, and October, 1999 and April and June 2000. A committee meeting is also scheduled for October 5. A comprehensive amendment proposal was prepared in June 1999. A problem statement was approved in October 1999. A new draft proposal for cooperatives in Regulatory Areas 620-640 was discussed in April 2000 and a revised draft was posted on the Council website in May with a call for counter-proposals and comments. In June 2000, the committee reviewed all the proposals but made no specific recommendations on them. It requested direction from the Council on its mission and requested additional members. The Council added John Henderschedt and Kris Norosz and indicated plans to add an environmental representative to the committee.

The minutes from these meetings and the March 16 and May 9 draft proposals and public comments on them are attached as Items D-1(c)(1) and (2). A summary spreadsheet and descriptions comparing the proposals was prepared by committee member Joe Childers (Item D-1(c)(3)).

It is likely that such a broad program (all groundfish species in Area 620 -640) would take considerable time to develop and implement. Coincident with GOA rationalization, the Council has also noticed the public that it is considering rationalization options specifically for the GOA Pacific cod fisheries. The Council indicated it may wish to initiate more near-term rationalization options specifically for the cod fisheries. Staff compiled some information on the GOA cod fisheries for Council review in June. This is included under Item D-1(c) (4).

To that issue, the committee recommended in June:

A majority of the committee recommended that rationalization be undertaken through a separate management plan that would supercede any action taken by the Council on GOA LLP. The intent is to not allow LLP changes to subordinate GOA rationalization.

The Council may wish to consider this under the broader scope under Staff Tasking (D-3) later in the meeting.

**GOA Cooperative Committee Meeting  
Draft Minutes  
June 8, 2000**

Committee members Dave Hanson (chairman), Joe Childers, Kent Helligso, Glenn Merrill for Beth Stewart, Chris Blackburn, Duncan Fields, John Iani, Brent Paine, and John Blackwell for Mike Simpson. Ken Roemhildt (submitted comments to the committee via email) and Joe Plesha were absent. Agency staff attending the meeting included Jane DiCosimo, Lisa Lindeman, Kate Troll. More than forty members of the public attended.

Clarification of legal authority Lisa Lindeman provided responses to the committee's request for legal clarifications (see attachments):

1. The Council has authority to form cooperatives to manage groundfish in the GOA.
2. No compensation is required to revoke a fisheries permit, although due process is required.
3. The Council may approve a cooperative, but it may not approve a cooperative with an allocation until the IFQ moratorium is lifted.
4. The Council may not create a closed class of processors.

Later in the meeting, the committee requested another legal clarification from NOAA General Counsel as to whether the Council has the authority to require landings to be occur in a specific community (historic port of landing) as outlined in some of the proposals and comments.

Review of public comments The committee reviewed the merits of each comment letter. Overall, the committee noted that most comments noted the: need to rationalize the GOA groundfish fisheries and preserve GOA communities. Specific committee comments follow.

Roemhildt: The committee may carry forward #1 (base years for participation as the same years used by the AFA as an alternative), #2 (conservation concerns), #3 (uniform approach for all areas of the Gulf, and #4 (community participation) as part of committee discussion for alternatives.

Icicle: The Council may wish to include linked options A (sector benefits) and D (harvester-processor relationships) as an alternative.

AMCC: The committee requested staff to provide it with the executive summary of "Sharing the Fish" that is heavily referenced by the proposers.

Macinko, Shrader, Norquest, CDFU: The committee acknowledged that there is not consensus on GOA rationalization.

Hillstrand: The committee noted that the Council may wish to examine the data by vessel size (to possibly treat <60 ft vessels differently).

Groundfish Forum: The committee recommended adding a representative from Groundfish Forum.

UFMA: The committee acknowledged the proposer's interest in moving forward with rationalizing the GOA P. cod fishery as the highest priority.

Exceller Fisheries: The committee had no recommendations on this comment letter.

K-Bay Committee and community resolutions: The committee found the proposal somewhat confusing, and noted its reliance on "Sharing the Fish."

WCGOAF: The committee noted that it may wish to revise the committee's problem statement at a later meeting to reflect the first paragraph's discussion of concerns related to the Steller sea lion. This proposal is noted as having been submitted by Joe Childers.

Testimony at meeting:

Paul Fuhs (Yakutat) Communities are interested in developing local fisheries, possibly developing quota or community set asides for Yakutat (140-147°).

Mark Chandler (Kodiak) requested additional committee comments on legal issues related to regulating processors (regarding creating a closed class of processors).

Brendan McKenna provided comments regarding the Childers proposal.

**Motion:** A majority of the committee recommended that rationalization be undertaken through a separate management plan that would supercede any action taken by the Council on GOA LLP. The intent is to not allow LLP changes to subordinate GOA rationalization.

**Motion:** Request the Council provide direction to the committee on whether it wants the committee to continue meeting to develop draft elements and options for rationalizing the GOA groundfish fisheries. If the committee is to continue its work, it requests the addition of a representative from Groundfish Forum and the environmental community.

The committee adjourned at approximately 8:00 pm.

**GOA Cooperative Committee Meeting**  
**Draft Minutes**  
**April 10, 2000**

Committee members Dave Hanson (chairman), Joe Childers, Ken Helligso, Beth Stewart, Chris Blackburn, Duncan Fields, John Iani, Brent Paine, Matt Moyer for Ken Roemhildt, and Mike Simpson. Joe Plesha was absent. Agency staff attending the meeting included Jane DiCosimo, Chris Oliver, Sue Salvesson, Earl Krygier, and Jeff Hartman. Council member Dave Benton and more than forty members of the public attended.

Mike Martin presented the draft Gulf Rationalization document submitted by Groundfish Data Bank to the committee (see attached). The proposal was clarified as being not severable for catcher and processor sectors. Beth Stewart asked about latent licenses and recommended an increased number of landings under Harvesters. Dave Fraser suggested that a paper by Bruce Turis, B.C. Department of Fisheries and Oceanography regarding B.C. groundfish rationalization of fishing rights was relevant to the committee discussion for Gulf groundfish fisheries.

Committee recommendations:

- The Council chairman is requested to consider changing the focus of the committee from developing cooperatives to rationalizing the Western/Central Gulf groundfish and crab fisheries using an IFQ-like concept.
- Distribute a cover letter from the Council along with the draft AGD proposal (as revised), which has not yet been endorsed by the committee, to the public to solicit comments and additional proposals. The proposal could be posted on the Council website and mailed to other interested Gulf groups.
- The committee seeks clarification from NOAA GC regarding Council limitations on developing amendments to 1) limit effort and 2) Gulf LLP qualification criteria (eliminate latent permits); and 3) processor regulation considerations.
- The Chairman is requested to schedule an agenda item under Staff Tasking at the June meeting to consider initiating an analysis to reduce latent effort in the W/C GOA groundfish and crab fisheries. Industry members will bring information for the committee and Council to review in June.

The committee adjourned at approximately 7:30 pm.

**GOA CO-OP COMMITTEE  
MINUTES  
OCTOBER 17, 1999**

The GOA Co-op Committee convened briefly on October 17, 1999 at approximately noon in Seattle, Washington. Members in attendance were Dave Hanson (Chairman), Chris Blackburn, Joe Childers, Brent Paine, and Beth Stewart for Dick Jacobsen. Duncan Fields, Ken Helligso, Joe Plesha, Ken Roemhildt, Mike Simpson, and John Iani did not attend. Jane DiCosimo, and four members of the public also attended.

The committee approved a problem statement drafted by Brent Paine that was requested by the committee during its June 1999 meeting. The chairman noted that a number of committee members were absent at this meeting, including two representatives of shoreside processing. The committee could reconvene at a future Council meeting to address any concerns about the proposed problem statement and options from absent committee members.

**Problem Statement  
Cooperative Management of Gulf of Alaska Fisheries**

Problems:

- ◆ The trawl, hook-and-line and pot fisheries in the Gulf of Alaska federal fisheries are fully utilized. Competition for this resource has increased for a variety of reasons, including additional recent fishing effort due to declines in non-groundfish fisheries and increased effort by traditional, long-term fishermen.
- ◆ Fishermen who have made significant long-term investments and have long catch histories in the Gulf fisheries need protection from others who have little or limited history and wish to increase their participation in the fisheries.
- ◆ The race for fish has negative impacts on:
  - ◆ Efficient utilization
  - ◆ The ability of the fleet to make spatial and temporal adjustments necessary to comply with the sea lion RPAs
  - ◆ Bycatch
  - ◆ Safety
  - ◆ The ability of the fleet to avoid further over-capitalization, or to find a way to de-capitalize.
- ◆ With the advent of the AFA and the subsequent formation of a coop management structure in the Bering Sea Pollock fishery, the potential exists for increase in effort into the Gulf fisheries.
- ◆ Sideboard restrictions placed on AFA qualified vessels:
  - ◆ Do not deal with the race for fish amongst non-AFA vessels,
  - ◆ Can become more punitive rather than restrictive, and possibly do not provide adequate protection.
  - ◆ Can have allocative impacts within the AFA fleet that negatively impact GOA dependent AFA vessels.

- ◆ Ending the race for fish through coops in only one sector creates a market disadvantage for those harvesters and the processors with whom they contract, relative to those who operate in a coop based system.

Objectives:

- ◆ Allow participants in the fishery to catch up to their proportionate share of the harvest based upon a uniform catch history time window.
- ◆ End the race for fish through coops or other means of assigning shares to each vessel.
- ◆ Maintain the viability and vitality of the independent harvesters.
- ◆ Foster a healthy competitive market.
- ◆ Maintain the viability and vitality of the processing sector.
- ◆ Maintain the viability and vitality of fishing dependent communities.

Options:

- ◆ One form of protection is the formation of cooperatives. Proper development of fishermen's coop management structure can stop the problems associated with the current Olympic style fisheries, including: super short seasons, harvest of small fish, increased waste, lower quality product and allocation battles between users.
- ◆ Reduce latent licenses through a "prove up" requirement of minimum landings/tonnage.
- ◆ Subdivide quotas by vessel class grouping.
- ◆ Develop an ITQ system.

**GOA CO-OP COMMITTEE  
MINUTES  
JUNE 6, 1999**

The GOA Co-op Committee convened on June 6, 1999 at approximately 6 pm in Kodiak, Alaska. Members in attendance were Dave Hanson (Chairman), Chris Blackburn, Duncan Fields, Ken Helligso, Joe Plesha, Mike Simpson, Dave Fraser for Brent Paine, Matthew Moir for Ken Roemhildt, Beth Stewart for Dick Jacobsen. John Iani was absent. Staff included Jane DiCosimo, Darrel Brannan, Chuck Hamel, Sue Salvesson, Jay Ginter. Others in attendance included Al Burch, Earl Comstock, Kris Norosz, Jim McManus, John Dooley, Angelique Iankov, Craig Cross, and Carl Haflinger.

The committee briefly discussed the letter sent to the committee by Lisa Lindeman, NOAA General Counsel, which answered a number of questions submitted to her by Dave Hanson on behalf of the committee related to Council authority under the Magnuson-Stevens Act for implementing fishery cooperatives in the GOA. Her letter opined that the MSA: 1) does not authorize limits on the number of GOA shoreside processors, but does authorize limits on the number of catcher vessels and catcher/processors and 2) the Council could allocate a percentage of the GOA pollock TAC to a fishery cooperative after October 1, 2001.

The committee discussed reviewing the possibility of single or multi-species IFQs and/or single or multi-species cooperatives as alternatives for managing groundfish in the GOA. They decided that if all species and areas were managed under cooperatives, sideboards would be unnecessary. A subcommittee was appointed to prepare a draft statement for the GOA groundfish fisheries. Pending identification of the problem statement, the committee recommended that the Council could consider an analysis of:

Fisheries

- 1) pollock only, with sideboards
- 2) pollock and cod, with sideboards
- 3) all groundfish, with no sideboards

Participation, assuming moratorium and LLP qualified)

- 1) co-op with plant where most of previous year's fish was processed (BSAI cooperative model)
- 2) Dooley-Hall model
- 3) co-op with processor to whom 1995-97 deliveries were made (UCB model)

Sideboards are needed unless all fisheries and areas have co-ops

- 1) non-trawl fisheries
- 2) crab fisheries

The committee requested additional guidance from Lisa Lindeman on the degree of latitude to which the Council could apply sideboards between processors.

The committee identified the lack of participation in GOA rockfish and flatfish fisheries by the Sand Point and King Cove fleet as a future agenda item.

The committee tentatively set September 20 in Seattle as the date and location of its next meeting.

The meeting adjourned at approximately 7:30 pm.

DRAFT

**GOA Co-ops Committee  
Minutes  
April 22, 1999**

The GOA Co-ops Committee convened on April 22, 1999 at approximately 5:45 PM. Members in attendance were Dave Hanson (Chairman), Chris Blackburn, Duncan Fields, Ken Helligso, John Iani, Dick Jacobsen, Brent Paine, Joe Plesha, Ken Roemhildt, and Mike Simpson. Staff in attendance were: Jane DiCosimo, Chris Oliver, Darrel Brannan, and Chuck Hamel. Eleven members of the public were in attendance.

The February 11, 1999 memo to Chairman Lauber requesting the formation of the committee from Chris Blackburn was used to start the discussion to identify the problem in the GOA fisheries and the purpose of the committee. Ms. Blackburn informed the committee that AGDB had submitted a legal brief to NOAA GC, stipulating that the Council has the ability administratively under the AFA to name and limit GOA processors.

Earl Comstock, representing the Fair Fisheries Coalition, distributed a legal brief to the committee that the coalition had submitted to NOAA GC, stipulating that the Council had no authority for developing co-ops under the AFA.

The committee decided to limit its current focus to a review the applicability of fishery cooperatives in the GOA, but noted that other options may be considered by the committee if it determines it is appropriate to do so. It will provide a preliminary report to the Council at the October 1999 meeting. The committee noted that the Council is scheduled to receive a NMFS discussion paper on co-ops at its October meeting. Further details of BSAI and GOA sideboard issues will have also been decided by the June 1999 meeting. The committee report is timed to take into consideration the unanticipated linkages between these and other Council activities.

The committee has tentatively scheduled its next meeting for the afternoon of Sunday, June 6, or the evening of Monday, June 7, during the next Council meeting week. In preparation for that meeting, committee members will provide their views on problems in Gulf of Alaska fisheries for distribution to the full committee to develop a problem statement. Council staff will provide a summary of catch histories of pollock by catcher vessels for 1995-97 by vessel size category, regulatory area, and onshore processor.

The committee adjourned at approximately 6:45 p.m.



Gulf of Alaska Co-op Committee

10/21/99

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# Groundfish Data Bank

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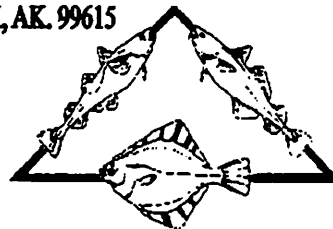
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## GULF RATIONALIZATION DOCUMENT

DRAFT 2 - MAY 9, 2000

This is AGDB'S second draft document for discussion purposes. Within the Alaska Groundfish Data Bank membership there is not consensus on all the provisions. There is consensus, however, that this revised document should be released to the public so that dialog and debate can begin. AGDB members welcome comments, criticism, other ideas and other approaches.

The significant addition to this discussion proposal is the addition of an additional processor category - Long-Term Small Processor - defined as a processor which has processed 400 MT in any one of the base years 1995 thru 2000. A long-term small processor's processing is capped at 2000 MT.

Vessels under and over 60 feet can both deliver to a long-term small processor.

It should be understood that the intent of this proposal is to freeze the industry, vessels and processors, in their current configurations.

### GULF RATIONALIZATION

1. Areas 620, 630, 640
2. Initial harvest allocation will all be unblocked, and can be leased, sold or consolidated.
3. Any one entity (processor or vessel) will be limited to X% of the total allowable catch for each federally managed ground target species excluding IFQ sablefish.

### HARVESTERS

1. All harvesters must be LLP qualified.

**Exemption:** Except vessels, which did not apply for an LLP because the vessel fished Federal fisheries only in State waters.

2. A vessel over 60 feet LOA must have made two landings of federal groundfish in any two different years within the base years 1995 through 2000.
3. A vessel under 60 feet LOA must have made one landing federal groundfish in any year within the base period 1995 through 2000.

PROCESSORS: For this section qualification is based on federal groundfish deliveries excluding custom processing and IFQ sablefish.

1. Long-term processors

Processors, which processed at least 2000 MT of federally managed groundfish during any one of the qualifying years from 1995 through 2000.

Note: Sablefish IFQ's will not be included in the 2000 MT aggregate.

2. Long-term small processors

Processors which processed at least 400 MT of federal managed groundfish in any one of the base years 1995 thru 2000 and did

not exceed 2000 MT in any two of the base years. This category can process up to 2000 MT of federal Groundfish in any year.

### 3. Open class processors

Any processor that processed less than 400 MT of federally managed groundfish in each of the base years 1995 thru 2000.

### 4. Historical port of landing.

All harvesters will deliver federal Groundfish to their historical port or ports of landing or landings.

Exemption: Vessels that choose to fish open access.

### HARVESTERS/PROCESSORS

1. Vessels over 60 feet will only be qualified to deliver federal groundfish to long-term and long-term small processors.
2. Vessel 60 feet and under will be qualified to deliver to long-term small and open class processors.

## DOOLEY/HALL CONCEPT

1. Coop vessels will enter into a yearly contract with processors for all federal Groundfish species.
2. If a plant chooses not to process a particular species that coop member then has the right to a secondary contract with another processor.

## COOPS

1. All vessels have the ability to coop.
2. All processors have the ability to coop.
3. Vessels over 60 feet will only be able to coop with Long Term Large Processors and Long Term small processors
4. Vessels under 60 feet will be able to coop with Long-term, Long Term Small and Open Class Processors.
5. Any vessels that do not want to coop will take their history into an open access fishery. That fishery will be managed by NMFS.
6. Open access fisheries will be in two categories.
  - a. 60 and under
  - b. Over 60 feet

## OPEN ACCESS

Any vessel that chooses to fish open access will be allowed to fish and deliver to Long-Term processors, Long-Term small processors and Open Class processors in all regions.

## ALLOCATION CRITERIA

1. Vessels over 60 feet. Best two-year average 1995 through 2000.
2. Vessels under 60 feet. Best one year 1995 through 2000.
3. Vessels that participated in the 2000 Opilio Crab Fisheries will not be allowed to use 2000 as an allocation year.

OTHER SUGGESTION RECEIVED BY AGDB

## ALLOCATION CRITERIA:

Change third criteria to read: Vessels that participated in the 2000 Opilio Crab Fisheries will not be allowed to use 2000 as an allocation year unless the vessel made 2 federal groundfish landings during the time period January 1 to January 7 or 11.

# Groundfish Data Bank

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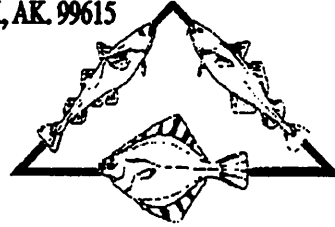
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## DRAFT GULF RATIONALIZATION DOCUMENT

This is a draft document not, at this point, a proposal. Within the Alaska Groundfish Data Bank membership there is not consensus on all the provisions. There is consensus, however, that the document should be released to the public so that dialog and debate can begin. AGDB members welcome comments, criticism, other ideas and other approaches.

### GULF RATIONALIZATION

1. Areas 620, 630, 640
2. Initial harvest allocation will all be unblocked, and can be leased, sold and consolidated.
3. Any one entity will be limited to an X% of the total allowable catch.

### HARVESTERS

1. All harvesters must be LLP qualified.  
Exemption: Except vessels, which did not apply for an LLP because the vessel fished Federal fisheries only in State waters.
2. A vessel over 60 feet LOA must have made two landing in any two different years from 1995 through 2000.
3. A vessel under 60 feet LOA must have made one landing in any year from 1995 through 2000.

### PROCESSORS

1. Long-term processors  
Processors, which processed at least 2000 MT of federally managed Groundfish during any one of the qualifying years from 1995 through 2000.  
Note: Black Cod IFQ's will not be included in the 2000 MT aggregate.
2. Open class processors  
Any processor that processed federally managed Groundfish.
3. Historical port of landing. All harvesters will deliver to historical ports of landings.  
Exemption: Vessels that choose to fish open access.



## HARVESTERS/PROCESSORS

1. Vessels over 60 feet will only be qualified to fish for long-term processors.  
Exemption: Vessels who historically delivered to open class processors.
2. Vessel 60 feet and under will be qualified to fish for long-term and open class processors.

## DOOLEY/HALL CONCEPT

1. Coop vessels will enter into a yearly contract with processors for all federal Groundfish species.
2. If a plant chooses not to process a particular species that coop member then has the right to a secondary contract with another processor.

## COOPS

1. All vessels have the ability to coop.
2. All processors have the ability to coop.
3. Vessels over 60 feet will only be able to coop with Long Term Processors.
4. Vessels under 60 feet will be able to coop with either Long Term or Open Class Processors.
5. Any vessels that do not want to coop will take their history into an open access fishery. That fishery will be managed by NMFS.
6. Open access fisheries will be in three categories.
  - a. 60 and under
  - b. Over 60
  - c. Any vessel that chooses to fish open access will be allowed to fish and deliver to Long-Term or Open Class processors in all regions.

## ALLOCATION CRITERIA

1. Vessels over 60 feet. Best two-year average 1995 through 2000.
2. Vessels under 60 feet. Best one year 1995 through 2000.
3. Vessels that participate in the 2000 Opilio Crab Fisheries will not be allowed to use 2000 as an allocation year.



# Alaska Marine Conservation Council

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AGENDA C-5(c)(2)

JUNE 2000

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Rick Lauber, Chair  
North Pacific Fishery Management Council  
605 W. Fourth Avenue  
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RE: Agenda Item C-5 c&d

Dear Mr. Lauber,

AMCC would like to offer the Council and the Gulf Co-op Committee 1) our objectives for Gulf rationalization programs, and 2) comments on the draft document from Alaska Groundfish Data Bank (AGDB) on Gulf rationalization. We developed our comments by weighing the AGDB document against conservation and community objectives that we believe need to be addressed by any rationalization plan, whether the outcome is IFQs, co-ops or another similar program that limits access and distributes fishing opportunity. The National Research Council's report to Congress on IFQs, *Sharing the Fish*, contains useful discussions on many of these issues.

### 1. Conservation and Communities

Gulf rationalization is often discussed as an economic model that could be expected to have some conservation benefits. We believe the considerable changes that are under discussion will be very long lasting and that those benefits must be imbedded in management systems by design. *Sharing the Fish* emphasizes this point: "Confusion, conflict, and ambiguity about the relative importance and value of the objectives of an IFQ program can result in contradictions and inconsistencies in its design and implementation, making the program more vulnerable to unintended consequences and less likely to succeed."<sup>1</sup>

If properly designed, there will be great promise in economic models that link conservation benefits with the long-term needs of our communities and opportunity for fishing families.

AMCC strongly believes that Gulf rationalization means moving beyond the status quo to modify our fisheries in ways that achieve goals

<sup>1</sup> National Research Council. Prepublication Copy, Dec. 18, 1998. *Sharing the Fish: Toward a National Policy on Individual Fishing Quotas*. p. 191.

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for conservation and coastal fishing communities including the following:

- Incentives for responsible stewardship
- Clean fishing (promotion of practices that minimize bycatch, protect sensitive habitat, and prevent overfishing)
- Community stability including:
  - Opportunity for community-based fleets
  - Diverse fleets (different size vessels, different gear types)
  - Market diversity (options to deliver product to competitive processor)
  - Viable entry-level opportunities to coastal community residents
  - Ownership concentration limits (to prevent consolidation in the hands of fewer fishermen or companies who have enough capital to accumulate access)
- A return to the public owners of fishery resources
- Avoidance of permanent entitlements (to ensure continuation of fishing privileges are contingent on successful bycatch reduction and habitat conservation)
- Periodic overall performance review in terms of the above principles

AMCC is opposed to systems that involve a closed class of processors because of the controlling effect they can have on markets, fishermen, and the public process.

## 2. Comments on the Alaska Groundfish Data Bank draft document:

- Different plans for different management area - While we respect the reasons that the communities in Area 610 do not want to participate in the AGDB proposed plan, we are concerned that different management systems for different areas of the Gulf would present cumbersome problems that would end up creating a complex array of sideboard issues.
- Historic Participation - The AGDB proposal is based only on fishing and processing history. In our view, individual participation is an important factor but not the only factor. There are other considerations that rationalization should address. *Sharing the Fish* lists a range of considerations for the distribution of quota that includes long-term participation, history, dependence, and good stewardship.<sup>2</sup>
- Processors - The concern of independent fishermen is that limiting processors (either by naming which companies can process groundfish or naming which ports can be groundfish processors) will diminish the competitive environment. Even though the AGDB proposal does not contain an AFA-style closed class of processors, many fishermen expect the effect to be similar. We do not see a marked improvement over the total closed class model in terms of how much fishermen are constricted now and in the future, and the market implications for fishermen delivering both groundfish and other species. Although the document allows small boats to deliver to any processor, the small boat sector in Kodiak represents a small percentage of the total volume; allowing them to deliver to either the long-term or open class of processors would not amount to much freedom in the fleet overall.

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<sup>2</sup> National Research Council. Prepublication Copy, Dec. 18, 1998. *Sharing the Fish: Toward a National Policy on Individual Fishing Quotas*. p. 198

Processing companies need to be able to process multiple species in order to stay viable. No community would be likely to get a processor for salmon, for example, if it is permanently prohibited from processing other species. The system needs to allow for future flexibility. What if crab or shrimp come back? Freezing which communities can process groundfish based on today's snapshot would lock out future opportunity if the profile of Gulf fisheries changes again.

Issues that processors are facing need to be better articulated so that solutions can be designed to fix a clear problem. There should be ways to accommodate reasonable needs that do not result in a reduction in competition.

- Conservation - The draft document does not address how conservation will be served. It may be assumed that an IFQ or co-op system will slow down the fishery and reduce wasteful fishing practices such as has occurred in the Bering Sea pollock fishery. (It is important to note, also, that the prohibition on bottom trawl gear went into effect concurrently and contributed to those improvements.) AMCC agrees slowing down the fishery is beneficial but Gulf groundfish fisheries are considerably more complex than Bering Sea pollock in terms of participation and management. The solutions can be equally innovative to address conservation.

We are looking for systems that are designed with measurable benchmarks and mechanisms for evaluating the program's success as a conservation tool. We are looking for systems that move beyond the status quo profile of groundfish fisheries by, for example, building in incentives that *reward* clean fishing and reduced impact on habitat. An effective tool is one that encourages gear conversions from trawls to pots, for example.

The AGDB document does not include such mechanisms but appears to be a system designed to lock in today's snapshot of Gulf groundfish fisheries in terms of who gets to fish, how they will fish, which companies can process the fish and what communities will be able to benefit from Gulf fisheries.

We appreciate the Council's and the Gulf Co-op Committee's consideration of our comments and look forward to further work on Gulf rationalization with AGDB and others.

Sincerely,



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Executive Director

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Here are our recommendations for the Central Gulf of Alaska .

#### Gulf Rationalization

1. Area 620, 630 640
2. Harvest Allocation is blocked and can be sold.
  - a) 1 to 3 vessels allocations can be purchased by another.
  - b) No allocation can be leased.

#### Excessive Share Cap

1. 3-5%

#### Harvesters

1. All harvesters must be LLP qualified.
2. Vessels over 60 feet LOA must have made 2 landings in any two different years from 1995 through 2000. Or 100,000 pounds in one year.
3. Vessels under 60 feet LOA must have made 1 landing in any year from 1995 through 2000.

#### Processors

1. We support a limit entry on large processors 2000 mt and over.
2. 0-400 mt processors allowed to still enter.
3. Historical port of landing. All harvesters will deliver to historical ports of landings; with 20% being able to be delivered to another port.

Exemption: vessels that choose to fish open access.

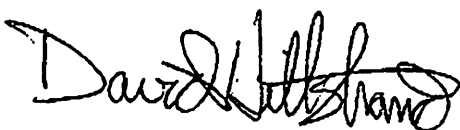
- a) Can deliver to another port.
- b) Can deliver to any processor.

#### Coops.

1. No vessels have the ability to coop.
2. No processors have the ability to coop.

#### Allocation Criteria.

1. Vessels over 60 feet. Best three-year average 1995-2000.
2. Vessels under 60 feet. Best one-year 1995-2000.
3. Vessels that participate in the 2000 Opilio Crab Fisheries will not be allowed to use 2000 as an allocation year. Unless the vessel made a landing from Jan 1<sup>st</sup> through Jan 8<sup>th</sup> 2000.



### Comparison table of current rationalization proposals and Laws

Proposal	Required fishermen participation	Closed class for Fishermen	Closed class for Processors	Hired Skippers included	IFQ			Fishermen only co-ops	Fishermen/processor co-ops	Harvest share for sale outside Co-op	Super exclusive area requirement	Historic Port landing requirement
					IFQ	PQS	CFQ					
The Fishermen's Collective Marketing Act of 1934	100%			na	No	No	No	Yes	No	na		No
American Fisheries Act (AFA)	80%	Yes	Yes	No	na	na	na	No	Yes	10%		No
Alaska Crab Coalition (ACC)	5 vessels minimum	Yes	Yes	No	na	na	na	No	Yes	50%		No
Alaska Groundfish Data Bank	100% of vessels >60' loa	Yes	Yes	No	na	na	na	No	Yes	na		Yes
Double Referendum	67%				na	na	na	No	Yes	na		No
Western Gulf of Alaska Fishermen	na	Yes	Partial	No	Yes	Partial	No	na	na	na		No
Processor Two Pie Proposal	na	Yes	Yes	No	Yes	Yes	No	na	na	na		No
Kachemak Bay Proposal	na	Yes	No	Yes	Yes	NO	Yes	na	na	na		Yes
St. Paul Crab rationalization proposal	na	Yes	Yes	nana	Yes	Yes	No	na	na	na		Yes
St. Paul Pacific Cod rationalization proposal	na	na	na	na	na	na	Yes	na	na	na	Yes	Yes
GOA Coastal Communities	na	na	na	na	na	na	Yes	na	na	na		Yes
Adak Box Proposal											Yes	
Global Seafoods	na	Yes	Yes for 5 years		Yes			Yes	na	na	na	Yes
MSFMCA Crab Rationalization Rider		Yes	Yes	na	Yes	Yes				Yes 5%		

## Comparison of current Alaskan Crab and Groundfish fishery rationalization proposals

### Comprehensive rationalization: "How are we going to divvy up the fish?"

Comprehensive Rationalization Program (CRP) is a big term used at NPFMC meetings. that means, "how are we going to divvy up the fish?" It means privatization of the resource. Fishermen receive allocations of resource based on historic participation; this leads to an end of the "race for fish". Fisheries will be "rationalized" by the ensuing slowdown of harvest rates. Now, after passage of the American Fisheries Act (AFA), processors are probably going to get some private processing rights as well under any new CRP.

The IFQ program for halibut and sablefish was the first federal Comprehensive Rationalization Program in Alaska. The American Fisheries Act (AFA) which allocates pollock, was the second Alaska program. The IFQ program awarded private harvesting rights to fishermen based on past participation. AFA awards both private harvesting and processing rights to Bering Sea pollock based on historic participation.

### IFQs are prohibited right now

IFQs were prohibited in 1996, when the Magnusson Stevens Act was re-authorized. The prohibition came on the heels of implementation of the IFQ program for halibut and sablefish in Alaska. Backlash from various groups in Alaska, in response to the IFQ program, influenced Senator Stevens of Alaska to establish the prohibition. Some longtime processing interests, some fishing groups including hired skippers and deckhands, and some communities felt disenfranchised by the IFQ program. The prohibition is set to sunset in October of 2000

### The American Fisheries Act

In 1998, Congress enacted the American Fisheries Act (AFA). The AFA rationalized the BSAI pollock fishery. Under AFA, fishermen and processors are granted limited entry status, and are allowed to form cooperative fishing and processing arrangements. Co-ops can only be formed with specifically eligible processors. Fishermen agreeing to enter into Co-ops receive an annual (IFQ like) allocation of pollock based on their historic production levels. Co-op fishermen must sell their fish to an eligible co-op processor and the processor must be their primary market from the preceding year. Co-ops cannot form without the agreement of the processor and at least 80% of the eligible fishermen. Only 10% of any Co-ops harvest can be delivered outside of the Co-op. If a fisherman chooses to leave the Co-op, he must fish for one year in "open access" where he will need to fish derby style and will not receive a private allocation of fish.

### What is the Two-Pie system?

The Two-Pie system of rationalization basically operates on the premise that harvesters and processors are both over capitalized, and can benefit from consolidation. Efficiency thru consolidation can create new wealth. The efficient will pay to make the less efficient go away, and the payment will compensate for their capital investment. If one sector is unable to consolidate and achieve efficiency they will in effect be cheated and their capital will be stranded and uncompensated.

It works like this, everybody with past participation catching or processing will get a proportionate allocation of the total catching or processing pie. Inefficient operators can sell their piece of the pie to more efficient operations. The sale of the rights from the less efficient will provide them with a "soft landing". Everyone wins the public, the managers, the resource, and the recipients of title to the resources.

- Allocation (privatization) of harvester and processor rights will lead to the creation of wealth. For example: in the Alaska halibut and sablefish fisheries, the IFQs awarded to

harvesters today exceeds the value of all the boats and facilities used to catch and process the fish.

- This wealth created by privatizing the harvesting and processing sectors will come in "two big pies" according to Dr. Matulich.
- The two pies will be allocated based on historic participation
- De-capitalization will occur as the rights from the two pies get concentrated.

### **What are community based fishing rights?**

National Standard 8 of the MSFMCA requires that management measures need to take into account impacts on small fishing communities. Various Alaska coastal fishing communities have proposed community based fishing rights be included in any future "rationalization" dialogue. Community based rights refer to a spectrum of rights that range from super exclusive fishing areas around specific communities to Community Fishing Quotas (CFQs). CFQs are privatized fishing quotas that can be acquired and owned by community entities and leased out to community members. Another variation mentioned in community based fishing rights is called the "historical port of landing" requirement. This provision would require that some percentage of any rationalized fishery would have to be delivered to historic ports for processing.

### **What is happening right now?**

NPFMC members and Congressional members have said recently that no rationalization scheme can be implemented in Alaskan fisheries that does not address the stakeholder rights, of processors, communities, and fishermen. Current models for rationalization are IFQs and AFA style Co-ops. Of the two, AFA style Co-ops create stakeholder rights for processors and fishermen. Any new rationalization scheme will need to build from this base and include some sort of community rights component as well.

### **Current proposals**

The following list of proposals and Laws are currently involved in the rationalization discussions associated with Bering Sea crab and Gulf of Alaska Groundfish.

1. The Fishermen's Collective Marketing Act of 1934
  - The 1934 Act allows fishermen certain exemptions from antitrust laws that enable them to form cooperative marketing arrangements. The Act requires 100% participation by eligible members and is exclusively for fishermen.
2. The American Fisheries Act (1998) (AFA)
  - The AFA allows cooperatives to form with a minimum 80% of the eligible fishermen, but only with the agreement and participation of specific processors. The AFA specifies a closed class of processors and fishermen. AFA requires that fishermen fish in Open Access for one year prior to switching co-ops, and that only 10% of a Co-op harvest can be transferred annually to other co-ops.
3. Alaska Crab Coalition (ACC)
  - Preliminary Draft of the "American Fisheries Recovery Act"
    - A Bering Sea crab co-op proposal that allows co-ops to form with a minimum of 5 eligible vessels. Co-ops must include an eligible processor. Closed class established for fishers and processors.
4. Alaska Groundfish Data Bank (AGDB)
  - Draft Gulf Rationalization Document
    - A Gulf of Alaska groundfish co-op proposal that mandates co-ops for 100% of vessels longer than 60'. It creates closed classed for both processors and all fishermen, and includes an "historical port of landing requirement" for part of the harvest.



5. Individual Fishing Quota Legislative Option (Double referendum)
  - A co-op proposal in which both eligible processors and fishermen need to achieve 67% consensus in separate referendums in order to form co-operative fishing and processing arrangements. No closed classes are explicitly created for fishers or processors.
6. Western Gulf of Alaska Fishermen
  - Comprehensive rationalization Plan for Pollock and Pacific Cod Fisheries in the Gulf of Alaska
    - Proposes IFQs for eligible fishermen.
    - Processor Quota Shares (PQS) based on 60% of the Total Allowable Catch.
    - 40% of the TAC would be available to any processor.
7. Kachemak Bay, Gulf of Alaska Groundfish Rationalization Proposal
  - ITQs to be awarded to vessel owners and hired skippers.
  - No closed class for processors. An "historical port of landing" requirement.
  - Community Utilization program Shares (CUPS), would provide a seed amount of IFQ like harvest shares to a community entity.
8. Processor Two Pie Approach To Crab Cooperatives Proposal
  - Processor Quota Shares (PQS)
  - IFQs for eligible fishermen
9. Crab Industry Rationalization, A Proposal from the City of St. Paul
  - Two pie model IFQs and PQS
  - Historic Port of landing requirement
10. St Paul Cod rationalization proposal
  - CFQ Community fishing quota for cod
  - Super exclusive fishing zone around the Pribilofs.
11. Gulf of Alaska Coastal Communities Coalition
  - Community Purchase of Halibut and Sablefish Individual Fishing Quota Shares
    - Proposes that eligible coastal communities receive the right to acquire and own IFQs. Also receive the authority to lease the IFQs to eligible community members.
12. Aleut Corporation
  - Adak Box Proposal
    - Created a super exclusive fishing area around the community of Adak.
    - Newly created zone held exclusively for vessels less than 60'
13. Global Seafoods proposal
  - Closed class for fishermen
  - Closed class for processors for a five year period
  - IFQ
  - Fishermen only co-ops
  - Historic port of landing requirement
14. MSFMCA Crab Rationalization Rider
  - Closed class for fishermen
  - Closed class for processors
  - IFQ
  - PQS

### Summary of GOA Pacific Cod Fishery

Several tables have been developed to help describe the GOA Pacific cod fishery. This information was developed at the request of the Council, to aid them when they discuss potential measures to further rationalize the GOA Pacific cod fishery.

The tables fall into two general categories. The first category (Tables 1 and 2) reports information on vessels that currently hold LLP endorsements to fish in the GOA. Information compiled in those tables was taken from the NMFS AKR LLP data base (available on their web site) and data from the NMFS "Official Record" data base. Data on the number of licenses issued and the length categories was taken from the data on the NMFS web site, and data used to estimate the gear type that is expected to be added to a license in future years was taken from the NMFS "Official Record" data base.

Table 1: Number of LLP Area Endorsements Expected to be Issued and Whether the Permit is Under Appeal

Endorsement Area	Length Class	Licenses Under Appeal			Interim Total	Permanent Permits			Permanent Total	Grand Total
		Both	Fixed	Trawl		Both	Fixed	Trawl		
Western GOA	<60'	17	101	3	121	32	72	5	109	230
	60-124	16	77	25	118	28	52	33	113	231
	125+	9	20	21	50	8	8	20	36	86
Central GOA	<60'	23	300	3	326	46	453	5	504	830
	60-124	26	104	20	150	44	81	26	151	301
	125+	7	12	18	37	8	7	9	24	61
Southeast GOA	<60'	2	274	0	276	5	488	0	493	769
	60-124	2	29	2	33	2	16	0	18	51
	125+	2	5	2	9	0	0	0	0	9
Total Western GOA		42	198	49	289	68	132	58	258	547
Total Central GOA		56	416	41	513	98	541	40	679	1,192
Total Southeast GOA		6	308	4	318	7	504	0	511	829

Source: NMFS AKR LLP data publicly available on their web site as of 4/20/2000, and expected gear endorsement information from the NMFS "Official Record Database"

Note: The "Licenses Under Appeal" section includes specific endorsements that are not under appeal. However, they are included in this section because the overall license to which they are attached is being appealed, and we are unable to determine from the data which endorsements on the general license are under appeal.

Table 2: Endorsement suites (including those under appeal) issued to persons earning a GOA license

Endorsement Suites	<60' LOA			60-124' LOA				125+' LOA			GOA Licenses		
	Both	Fixed	Trawl Total	Both	Fixed	Trawl	Total	Both	Fixed	Trawl Total			
-AI--CG-	1	3	4								4		
-AI--CG-SE		1	1								1		
-AI-WG--		1	1		1		1				2		
-AI-WG-CG-		6	6	2	3		5				11		
-AI-WG-CG-SE		2	2								2		
BS-AI--CG-		5	5	4	13		17	4	4		8		
BS-AI--CG-SE		2	2		1		1			1	1		
BS-AI-WG--		4	4	4	10	11	25	6	8	15	29		
BS-AI-WG-CG-	4	11	15	8	47	12	67	9	8	20	37		
BS-AI-WG-CG-SE		14	14	3	14	2	19	1	5		6		
BS---CG-	1	14	15	11	13	3	27			1	1		
BS---CG-SE		5	5							1	1		
BS--WG--	4	17	21	4	16	6	26		5	1	6		
BS--WG-CG-	10	15	3	28	20	14	23	57	1	4	5		
BS--WG-CG-SE	2	9	11		3		3	1			1		
BS--WG--SE		2	2								2		
---CG-	23	450	1	474	19	51	3	73					
---CG-SE		163	163		11		11						
---SE	2	540	542	1	11		12						
--WG--	1	37	1	39		6	1	7		1	1		
--WG-CG-	25	31	4	60	3	10	3	16	1		1		
--WG-CG-SE	3	22	25		5		5						
--WG--SE		2	2										
<b>Grand Total</b>	<b>76</b>	<b>1,356</b>	<b>9</b>	<b>1,441</b>	<b>79</b>	<b>229</b>	<b>64</b>	<b>372</b>	<b>21</b>	<b>32</b>	<b>44</b>	<b>97</b>	<b>1,910</b>

Source: NMFS AKR LLP data publicly available on their web site as of 4/20/2000, and expected gear endorsement information from the NMFS "Official Record Database"

The second section (Tables 3-10) reports information on retained catch of GOA Pacific cod and number of vessels that actually made landings during the 1995-99 time period. That information was derived from ADF&G fish ticket data. Therefore, information reported by at-sea processors is excluded. Recall that under the Inshore/Offshore program in the GOA, only 10% of the Pacific cod may be processed by processors defined as "offshore". Given these I/O regulations, fish ticket data should provide a fairly good estimate of harvest and participation in the directed GOA cod fishery. In these tables, a directed fishery was assumed to be when Pacific cod accounted for at least 50% of the day's landings.

Tables 3 through 5 report the retained catch by all vessels, the catch by LLP qualified vessels in the GOA, and the catch by vessels not GOA qualified. The analysts did not determine if the vessel was endorsed to fish in the GOA area where they made the harvest, only whether the vessel held a general license for the GOA.

Tables 6 and 7 report the number of vessels that made landings in the GOA between 1995-99. Table 6 lists the number of vessels that are LLP qualified and made landings. Table 7 lists those that did not appear on the NMFS LLP qualification list, but made landings under the Moratorium program.

Table 8 reports the retained catch by Federal management zone and the gear type that is projected to appear on the license (if the Secretary of Commerce Approves that provision of the LLP). If the gear type is listed as "blank", it means that the vessel is not LLP qualified.

Tables 9 and 10 report retained catch by Federal management zone and by the suite of area endorsements on the license expected to be attached to the vessel. Using Table 9 the reader can compare where the harvests were made and whether the vessels making the landings could fish there in the future. It also provides information on what other areas the vessel may fish in the future.

Table 10 also is broken down by endorsement suite. However, it reports information by the vessel's length and the gear endorsement expected to be attached to the license. The table indicates that smaller vessels with the most catch tend to hold endorsements for only the Central and/or Western GOA. Larger vessels also hold those endorsements, but often they hold an endorsement for the BS as well.

Table 3: Retained Catch (mt) of Pacific cod<sup>1</sup> from both LLP qualified and non-LLP qualified vessels, 1995-99

Year	Vessel Length	Federal Zone								Total
		610	620	630	640	649	650	659	(blank)	
1995	<60'	7,060	5,126	12,507	13	272	8	133	conf.	25,120
	60'-124'	10,235	2,625	19,271	125	439	conf.	conf.	conf.	32,709
	125'+	1,336	1,961	-	-	-	-	-	-	3,298
1995 Total		18,632	9,712	31,778	138	712	conf.	conf.	conf.	61,127
1996	<60'	12,490	7,839	10,613	33	101	14	269	-	31,360
	60'-124'	7,908	5,639	13,730	43	204	conf.	conf.	-	27,534
	125'+	conf.	1,182	-	-	-	-	-	-	1,550
1996 Total		20,766	14,660	24,343	76	305	15	279	-	60,444
1997	<60'	17,321	5,975	14,141	13	201	31	327	-	38,009
	60'-124'	8,544	3,831	18,968	conf.	conf.	conf.	conf.	-	31,639
	125'+	1,379	312	-	-	-	-	-	-	1,692
1997 Total		27,245	10,118	33,109	conf.	conf.	conf.	conf.	-	71,340
1998	<60'	17,078	7,180	11,948	4	249	17	269	conf.	36,744
	60'-124'	7,689	4,321	16,477	87	236	conf.	conf.	-	28,814
	125'+	conf.	conf.	conf.	-	-	-	-	-	1,757
1998 Total		24,960	11,824	29,667	91	485	conf.	conf.	conf.	67,315
1999	<60'	17,351	6,053	13,135	2	383	10	240	-	37,174
	60'-124'	8,436	4,727	14,999	conf.	conf.	-	conf.	-	28,486
	125'+	conf.	conf.	conf.	-	-	-	-	-	294
1999 Total		25,884	10,864	28,247	conf.	conf.	10	conf.	-	65,954
Grand Total		117,486	57,178	147,144	365	2,650	82	1,274	conf.	326,179

Source: ADF&G Fish ticket data, 1995-99.

1/ Includes only landings when Pacific cod accounted for at least 50% of a vessel's catch in a day

Table 4: Retained Catch (mt) of Pacific cod<sup>1</sup> from only LLP qualified vessels, 1995-99

Year	Vessel Length	Federal Zone								Total
		610	620	630	640	649	650	659	(blank)	
1995	<60'	6,958	5,082	11,866	13	247	7	92	-	24,266
	60'-124'	10,199	2,616	18,575	125	300	conf.	conf.	-	31,815
	125'+	1,273	1,955	-	-	-	-	-	-	3,229
1995 Total		18,431	9,653	30,441	137	547	conf.	conf.	-	59,310
1996	<60'	12,130	7,700	10,056	33	84	13	205	-	30,221
	60'-124'	7,718	5,613	13,102	42	175	conf.	conf.	-	26,656
	125'+	conf.	1,182	-	-	-	-	-	-	1,550
1996 Total		20,216	14,495	23,158	75	259	13	211	-	58,427
1997	<60'	16,531	5,668	11,933	12	184	23	176	-	34,526
	60'-124'	8,316	3,719	16,974	conf.	conf.	conf.	conf.	-	29,279
	125'+	1,379	312	-	-	-	-	-	-	1,692
1997 Total		26,226	9,700	28,907	conf.	conf.	conf.	conf.	-	65,497
1998	<60'	16,036	6,270	9,281	3	222	11	124	conf.	31,948
	60'-124'	7,474	4,109	14,743	87	236	conf.	conf.	-	26,652
	125'+	conf.	conf.	conf.	-	-	-	-	-	1,756
1998 Total		23,703	10,701	25,266	90	458	conf.	conf.	conf.	60,356
1999	<60'	16,497	5,316	9,624	1	332	8	129	-	31,908
	60'-124'	8,052	3,958	13,045	0	319	-	conf.	-	25,375
	125'+	conf.	conf.	conf.	-	-	-	-	-	conf.
1999 Total		24,644	9,358	22,781	1	651	8	conf.	-	57,574
Grand Total		113,220	53,907	130,553	362	2,319	63	738	conf.	301,164

Source: ADF&G Fish ticket data, 1995-99.

1/ Includes only landings when Pacific cod accounted for at least 50% of a vessel's catch in a day

Note: A vessel's catch for all zones is included if it held a GOA license. If it does not hold an endorsement for that area it

Table 5: Retained Catch (mt) of Pacific cod<sup>1</sup> from vessels that do not hold a license, 1995-99

Year	Vessel Length	Federal Zone								Total
		610	620	630	640	649	650	659	(blank)	
1995	<60'	102	44	641	conf.	25	conf	41	conf.	854
	60'-124'	36	9	697	-	139	-	conf.	conf.	894
	125'+	63	6	-	-	-	-	-	-	69
1995 Total		201	59	1,338	conf.	164	conf	conf.	conf.	1,817
1996	<60'	360	139	557	conf.	17	conf	65	-	1,140
	60'-124'	190	27	628	conf.	29	-	conf.	-	877
	125'+									
1996 Total		550	165	1,185	conf.	46	conf	68	-	2,017
1997	<60'	791	307	2,208	conf.	18	8	151	-	3,483
	60'-124'	228	111	1,994	-	25	-	conf.	-	2,360
	125'+									
1997 Total		1,018	418	4,202	conf.	43	8	154	-	5,843
1998	<60'	1,042	910	2,667	conf.	27	5	144	-	4,796
	60'-124'	215	212	1,734	-	0	-	conf.	-	2,162
	125'+	-	-	0	-	-	-	-	-	0
1998 Total		1,257	1,122	4,401	conf.	27	5	145	-	6,959
1999	<60'	853	737	3,512	conf.	50	conf	111	-	5,266
	60'-124'	384	769	1,954	-	-	-	conf.	-	3,112
	125'+	conf.	-	-	-	-	-	-	-	2
1999 Total		1,239	1,506	5,466	conf.	50	conf	conf.	-	8,379
Grand Total		4,265	3,271	16,591	3	330	19	535	conf.	25,015

Source: ADF&G Fish ticket data, 1995-99.

1/ Includes only landings when Pacific cod accounted for at least 50% of a vessel's catch in a day

Table 6: Number of LLP qualified vessels fishing for Pacific cod<sup>1</sup>, 1995-99

Year	Vessel Length	Federal Zone											Total		
		610	620	630	640	649	650	659	(blank)						
1995	<60'	69	64	246	8	34	28	91							440
	60'-124'	64	37	96	5	5	2	1							159
	125'+	7	6												10
1995 Total		140	107	342	13	39	30	92							609
1996	<60'	64	57	162	11	14	30	96							345
	60'-124'	27	38	67	5	3	2	3							112
	125'+	1	5												6
1996 Total		92	100	229	16	17	32	99							463
1997	<60'	71	78	222	5	22	41	91							428
	60'-124'	39	33	79	1	2	1	2							124
	125'+	6	4												8
1997 Total		116	115	301	6	24	42	93							560
1998	<60'	73	88	196	3	21	23	68	2						368
	60'-124'	40	43	83	5	4	2	3							128
	125'+		2												2
1998 Total		113	133	279	8	25	25	71	2						498
1999	<60'	73	77	187	6	20	20	70							364
	60'-124'	30	39	85	2	3	1	1							120
	125'+	2	1	3											4
1999 Total		105	117	275	8	23	20	71							488
Grand Total		236	272	502	40	67	105	213	2						966

Source: ADF&G Fish ticket data, 1995-99.

1/ Includes only landings when Pacific cod accounted for at least 50% of a vessel's catch in a day

Note: A vessel's catch for all zones is included if it held a GOA license. If it does not hold an endorsement for that area it



Table 7: Number of vessels not LLP qualified in GOA fishing for Pacific cod<sup>1</sup>, 1995-99

Year	Vessel Length	Federal Zone								Total	
		610	620	630	640	649	650	659	(blank)		
1995	<60'										8
	60'-124'	2	2	5							3
	125'+	3									
1995 Total		5	2	5							11
1996	<60'	2									2
	60'-124'	7	1								8
	125'+	2	1								3
1996 Total		11	2								13
1997	<60'										8
	60'-124'	12	1	2							1
	125'+	1									
1997 Total		13	1	2							1
1998	<60'										12
	60'-124'	8	2	2							5
	125'+	4		1							
1998 Total		12	2	3							17
1999	<60'										4
	60'-124'	3	1	1							1
	125'+	1	1								
1999 Total		4	2	1							5
Grand Total		31	9	8							39

Source: ADF&G Fish ticket data, 1995-99.

1/ Includes only landings when Pacific cod accounted for at least 50% of a vessel's catch in a day

Table 8: Retained Catch (mt) of Pacific cod<sup>1</sup> by gear type projected to be on license, 1995-99

Year	LLP Gear <sup>2</sup>	Federal Zone								Total
		610	620	630	640	649	650	659	(blank)	
1995	Both	9,785	3,991	11,471	116	-	0	0	-	25,363
	Fixed	3,805	2,920	14,590	21	537	8	92	-	21,973
	Trawl	4,841	2,742	4,380	-	10	-	-	-	11,974
	(blank) <sup>3</sup>	201	59	1,338	0	164	1	53	1	1,817
1995 Total		18,632	9,712	31,778	138	712	9	146	1	61,127
1996	Both	12,852	7,699	8,540	1	17	1	5	-	29,116
	Fixed	4,736	3,149	10,647	74	165	11	206	-	18,989
	Trawl	2,629	3,647	3,970	-	76	-	-	-	10,322
	(blank)	550	165	1,185	1	46	2	68	-	2,017
1996 Total		20,766	14,660	24,343	76	305	15	279	-	60,444
1997	Both	16,692	3,776	11,197	46	-	-	0	-	31,712
	Fixed	5,294	3,345	12,648	12	403	23	179	-	21,905
	Trawl	4,240	2,579	5,062	-	-	-	-	-	11,881
	(blank)	1,018	418	4,202	0	43	8	154	-	5,843
1997 Total		27,245	10,118	33,109	59	446	31	333	-	71,340
1998	Both	15,259	3,294	8,113	58	-	0	-	-	26,723
	Fixed	5,442	5,764	12,654	3	458	12	126	0	24,459
	Trawl	3,002	1,643	4,500	30	-	-	-	-	9,174
	(blank)	1,257	1,122	4,401	1	27	5	145	-	6,959
1998 Total		24,960	11,824	29,667	91	485	17	271	0	67,315
1999	Both	16,552	1,727	8,151	0	2	-	0	-	26,432
	Fixed	4,618	7,389	12,134	1	650	8	130	-	24,929
	Trawl	3,475	242	2,496	-	-	-	-	-	6,213
	(blank)	1,239	1,506	5,466	1	50	2	115	-	8,379
1999 Total		25,884	10,864	28,247	2	702	10	245	-	65,954
Grand Total		117,486	57,178	147,144	365	2,650	82	1,274	1	326,179

Source: ADF&G Fish ticket data, 1995-99.

1/ Includes only landings when Pacific cod accounted for at least 50% of a vessel's catch in a day

2/ LLP gear represents the gear endorsement that is expected to be attached to the license in future years

3/ A blank gear means the vessel is not LLP qualified in the GOA

Table 9: Retained Catch (mt) of Pacific cod<sup>1</sup> by harvest zone and area endorsements on the vessel's license, 1995-99

Endorsement Suite	Federal Zone								Total
	610	620	630	640	649	650	659	(blank)	
-AI-CG-	4	35	1,476	-	-	-	-	-	1,515
-AI-WG-CG-	0	1	3	-	-	-	-	-	4
BS----	1,685	538	102	-	-	-	-	-	2,325
BS-AI---	332	263	1,249	-	-	-	-	-	1,843
BS-AI-CG-	205	264	1,879	115	-	-	-	-	2,463
BS-AI-WG--	2,241	494	-	-	-	-	-	-	2,735
BS-AI-WG-CG-	23,755	6,568	2,729	0	30	0	1	-	33,083
BS-AI-WG-CG-SE	246	1,628	2,140	-	-	0	2	-	4,017
BS---CG-	1,397	2,164	16,800	114	27	-	-	-	20,501
BS---CG-SE	-	45	60	-	-	2	6	-	113
BS--WG--	6,793	96	631	-	-	-	-	-	7,520
BS--WG-CG-	32,995	14,154	25,319	19	87	0	0	-	72,575
BS--WG-CG-SE	779	200	819	-	19	0	3	-	1,821
BS--WG--SE	-	-	-	-	-	2	52	-	54
---CG-	273	12,143	64,003	113	2,153	-	5	-	78,691
---CG-SE	492	2,893	1,633	1	2	21	100	-	5,141
----SE	-	56	258	-	-	31	560	0	905
--WG--	5,270	65	4	-	-	-	-	-	5,339
--WG-CG-	36,753	11,691	8,410	0	1	2	5	-	56,862
--WG-CG-SE	-	608	3,039	0	-	5	2	-	3,654
--WG--SE	-	-	-	-	-	-	3	-	3
(blank)	4,265	3,271	16,591	3	330	19	535	1	25,015
Grand Total	117,486	57,178	147,144	365	2,650	82	1,274	1	326,179

Source: ADF&G Fish ticket data, 1995-99.

1/ Includes only landings when Pacific cod accounted for at least 50% of a vessel's catch in a day

Table 10: Retained Catch (mt) of Pacific cod<sup>1</sup> by gear type projected to be on license, 1995-99

Endorsement Suite	<60'				<60' Total	60'-124'				60'-124' Total	125'+				125'+ Total	Total
	Both	Fixed	Trawl	(blank)		Both	Fixed	Trawl	(blank)		Both	Fixed	Trawl	(blank)		
-AI--CG-	1,380	135	-	-	1,515	-	-	-	-	-	-	-	-	-	-	1,515
-AI-WG-CG-	-	3	-	-	3	1	0	-	-	1	-	-	-	-	-	4
BS----	-	2	-	-	2	67	1,389	286	-	1,742	-	580	-	-	580	2,325
BS-AI---	-	-	-	-	-	7	214	38	-	259	-	77	1,507	-	1,584	1,843
BS-AI--CG-	-	171	-	-	171	1,775	498	-	-	2,274	18	-	-	-	18	2,463
BS-AI-WG--	-	1	-	-	1	299	547	1,754	-	2,599	-	66	69	-	135	2,735
BS-AI-WG-CG-	3,279	1,158	-	-	4,438	9,673	10,619	3,070	-	23,363	385	207	4,691	-	5,283	33,083
BS-AI-WG-CG-SE	-	1,950	-	-	1,950	131	3	1,838	-	1,972	95	-	-	-	95	4,017
BS---CG-	1,037	2,589	-	-	3,626	8,883	5,527	2,466	-	16,875	-	-	-	-	-	20,501
BS---CG-SE	-	113	-	-	113	-	-	-	-	-	-	-	-	-	-	113
BS--WG--	1,960	3,076	-	-	5,036	190	1,102	1,133	-	2,424	-	59	-	-	59	7,520
BS--WG-CG-	14,551	2,914	6,367	-	23,832	22,011	10,002	15,984	-	47,997	-	-	746	-	746	72,575
BS--WG-CG-SE	958	863	-	-	1,821	-	0	-	-	0	-	-	-	-	-	1,821
BS--WG--SE	-	54	-	-	54	-	-	-	-	-	-	-	-	-	-	54
---CG-	6,906	36,063	-	-	42,969	17,359	16,504	1,859	-	35,722	-	-	-	-	-	78,691
---CG-SE	-	5,097	-	-	5,097	-	45	-	-	45	-	-	-	-	-	5,141
----SE	0	644	-	-	645	-	261	-	-	261	-	-	-	-	-	905
--WG--	2,384	2,873	-	-	5,257	-	63	-	-	63	-	-	20	-	20	5,339
--WG-CG-	41,609	5,510	5,565	-	52,683	2,000	7	2,171	-	4,179	-	-	-	-	-	56,862
--WG-CG-SE	2,388	1,265	-	-	3,654	-	0	-	-	0	-	-	-	-	-	3,654
--WG--SE	-	3	-	-	3	-	-	-	-	-	-	-	-	-	-	3
(blank)	-	-	-	15,539	15,539	-	-	-	9,406	9,406	-	-	-	71	71	25,015
Grand Total	76,453	64,484	11,932	15,539	168,407	62,396	46,781	30,599	9,406	149,182	498	989	7,032	71	8,589	326,179

Source: ADF&G Fish ticket data, 1995-99.

1/ Includes only landings when Pacific cod accounted for at least 50% of a vessel's catch in a day

# Global Seafoods Kodiak, L.L.C.



August 30, 2000

Chairman Richard Lauber & Council Members  
North Pacific Fishery Management Council  
605 West 4<sup>th</sup> Avenue Suite 306  
PO 103136  
Anchorage Alaska 99501  
Via Facsimile & Mail 907-271-2817

Re: September Council Meeting

Dear Chairman Lauber:

Please find attached proposal from Global Seafoods in relation to the GOA rationalization issues. While I did not see a GOA rationalization committee meeting on the agenda for September, Global Seafoods would like this to be presented at the next committee meeting or at the next related session of the AP or Council meeting when they discuss the issue.

Thank you for your assistance in this matter.

Sincerely,

David Gens

# Global Seafoods Kodiak, L.L.C.



## Draft Proposal

### Harvester Rationalization

Global Seafoods believes that the issues of Harvester rationalization should be separated from the issues that face processors in the Gulf of Alaska. Global Seafoods will support any harvester based rationalization, whether IFQ or cooperative based, that addresses each of the issues related to safety at sea, by-catch mortality, community (port of landing) impacts, and ensuring a sustainable fishery for all commercially fished species.

### Base Assumption

The long-term health of the Alaskan fishing community is directly tied to the competitiveness of fish versus other protein sources such as chicken, meat and soy. Stated another way, the price the processors will pay to fishermen and support industries over the long-term will be based on the price consumers are willing to pay in grocery stores, restaurants, or institutions (such as the military or universities). Therefore, any limitations of activity imposed by the council should not affect the competitiveness of Alaskan Seafood.

### Proposal

Place a 5-year moratorium on allowing any new fish processors to enter the Gulf of Alaska. After 5 years, allow open access to purchase any type of fish. All existing processors who purchased more than 4,000 MT of groundfish in 2000 OR any processor who has purchased groundfish each of the last 5 years are included. No processor will be allowed to purchase more than 30% of the TAC during the 5-year period, nor own catcher vessels. No other limitations.

### Rationale:

1. Permanently closing the class of processors would hurt the long-term competitiveness of Alaskan Seafood. With a permanently closed class of processors, there is no incentive for the processors to change their business model, invest in new products or distribution structures, or invest in new technology to produce new products.
2. A 5-year moratorium would not require an act of Congress and would stand legal challenges. A processor rationalization plan should not hold up Gulf rationalization as the benefits that rationalization brings (safety, by-catch, sustainability) are all harvester based, and **not** processor based. This should be realized by the most efficient means.
3. It gives the processors who have already invested in the Gulf, the first chance to take advantage of the new "rules of the game" under a Harvester plan. For example, if a harvester rationalization plan allows more seafood to be sold fresh as opposed to frozen, the existing processors should be allowed to take advantage over the first 5 years. If they fail to do so, then, after 5 years a competitor who can better market Alaskan Seafood should be allowed to enter the Gulf. This would benefit not only the fishermen, but all the stakeholders in the fishery.
4. This will support the coastal communities and the existing employment base. It will allow, especially after 5 years, incremental investment in communities where it makes good business sense. If there is a movement of fish landings from one community to another, it will be based on sound economics.
5. It keeps the price paid to the fishermen highly competitive and at arm's length. This will ensure that the proper % of the final price paid by consumers is kept in Alaska.

David Hillstrand  
Box 1500  
Homer, Alaska 99603

### **Gulf of Alaska Rationalization**

We support the Rationalization of the groundfish fisheries in the GOA.

We hope the NPFMC will address latent licenses with recent landing requirements. We support the GOA Cooperative Committees current proposal for harvesters regarding additional landings to show recent effort in the Central GOA 630.

2. A vessel over 60 feet LOA must have made two landings of federal groundfish in two different years within the base years 1995 through 2000.
3. A vessel under 60 feet LOA must have made one landing of federal groundfish in any year within the base period 1995 through 2000.

The Advisory Panel is suggesting stricter requirements. Stricter landing requirements for latent LLP endorsements that are beyond the current recommendations of the GOA Cooperative Committee; should bear in mind the following.

The original LLP endorsement requirements for the Central GOA of 2 landings in three years. While the Western GOA requirements for the original LLP were one landing in three years. Also to bring to the Council and Committees attention are the vessels that only hold one LLP endorsement; such as a CG or WG. Vessels with multiple endorsements BS/AI, WG, CG may be required to have larger poundage requirements and years used. We encourage the Council to be less restrictive for vessels that only hold one endorsement, and for the Central GOA. Landing requirements that the GOA Committee put forward should be adequate. See Page #3-5 for the number of vessels that only hold one endorsement and vessels that hold permits compared to those who fished.

**The AP's list of alternatives should be considered for the history of catch records that determine one's catch in rationalization of the fishery more than for latent licenses.**

The Committee is staying in line with the NPFMC and their current review of the Bering Sea Pacific Cod endorsements for latent licenses. They where for vessels over 60 ft. With 2 years of 100,000 lbs in both years from 1995-1999. The NPFMC may want to exempt vessels under 60 ft as they did in the Bering Sea.

We feel that latent licenses can be settled in more fair way by the rationalization of the fisheries. Allow vessels with limited catch histories to keep what they have and not take it from them or deny them the little they have in 1995-2000. The AGDB has been very fair and reasonable with not excluding people but in including them and we thank them for that.

We would like the GOA committee to consider adding a few additional provisions

**PROCESSORS:**

4. Historical port of Landing.

All harvesters will deliver federal Groundfish to their historical port or ports of landing or landings.

Exemption: Vessels that choose to fish open access.

**Add: Vessels with multiple ports of landings can deliver up to 20% of their poundage from one port to another.**

**Add: Vessels can deliver 10% of their poundage to another port or processor.**

This will allow a measure of fairness for communities and price negotiations for harvesters. It will also allow for overages of a delivery for vessels with multiple ports of landings.

**HARVESTERS/PROCESSORS**

**Add:**

**3. Vessels over 60 feet can sell 20 tons directly to a fresh market.**

**4. Vessels under 60 feet can sell 30 tons directly to a fresh market.**

This will allow for fresh markets that vessels currently have, with additional price benefits to Harvesters.

**ALLOCATION CRITERIA**

**3. Vessels that participated in the 2000 Opilio Crab Fisheries will not be allowed to use 2000 as an allocation year unless the vessel made 1 federal groundfish landing during the time period Jan 1st to Jan 7<sup>th</sup>. Or 2 federal groundfish landings during the time period Jan 1<sup>st</sup> to Jan 11<sup>th</sup>.**

I think that this is the original intent of the change to allocation criteria. This shows that a vessel was participating in the GOA pacific cod fishery without the knowledge of a postponed Opilio season.



**Table 1: Number of LLP Area Endorsments Expected to be issued and Permits under Appeal**  
**Table 6: Number of LLP qualified vessels fishing for Pacific Cod 1995-1999**

Table 1:

CGOA 630	<60		
	Permanent	Appeal	Total
Both	46	23	69
Fixed	453	300	753
Trawl	5	3	8
<b>Total</b>	<b>504</b>	<b>326</b>	<b>830</b>
Table 6:	<b>246</b>		<b>246</b>

Table 6:

Years	Vessels Fished
1995	246
1996	162
1997	222
1998	196
1999	187

CGOA 630	>60-124		
	Permanent	Appeal	Total
Both	44	26	70
Fixed	81	104	185
Trawl	26	20	46
<b>Total</b>	<b>151</b>	<b>150</b>	<b>301</b>
Table 6:	<b>96</b>		<b>96</b>

Years	Vessels Fished
1995	96
1996	67
1997	79
1998	83
1999	85

CGOA 630	125+		
	Permanent	Appeal	Total
Both	8	7	15
Fixed	7	12	19
Trawl	9	18	27
<b>Total</b>	<b>24</b>	<b>37</b>	<b>61</b>
Table 6:	<b>3</b>		<b>3</b>

Years	Vessels Fished
1995	0
1996	0
1997	0
1998	0
1999	3

Table 2: Endorsement suites (including those under appeal) issued to persons earning a GOA license

Endorsement Suites	<60' LOA			60-124' LOA			125+' LOA			GOA Licenses		
	Both Fixed	Trawl	Total	Both Fixed	Trawl	Total	Both Fixed	Trawl	Total			
-AI--CG-	1	3	4							4		
-AI--CG-SE		1	1							1		
-AI-WG--		1	1		1	1				2		
-AI-WG-CG-		6	6	2	3	5				11		
-AI-WG-CG-SE		2	2							2		
BS-AI--CG-		5	5	4	13	17	4	4	8	30		
BS-AI--CG-SE		2	2		1	1		1	1	4		
BS-AI-WG--		4	4	4	10	25	6	8	15	58		
BS-AI-WG-CG-	4	11	15	8	47	67	9	8	20	119		
BS-AI-WG-CG-SE		14	14	3	14	19	1	5	6	39		
BS---CG-	1	14	15	11	13	27			1	43		
BS---CG-SE		5	5						1	6		
BS--WG--	4	17	21	4	16	26		5	1	53		
BS--WG-CG-	10	15	28	20	14	57		1	4	90		
BS--WG-CG-SE	2	9	11		3	3	1		1	15		
BS--WG--SE		2	2							2		
<del>---CG-</del>	<del>23</del>	<del>450</del>	<del>474</del>	<del>19</del>	<del>51</del>	<del>3</del>	<del>73</del>			<del>547</del>		
<del>---CG-SE</del>		<del>163</del>	<del>163</del>		<del>11</del>	<del>11</del>				<del>174</del>		
<del>---SE</del>	<del>2</del>	<del>540</del>	<del>542</del>	<del>1</del>	<del>11</del>	<del>12</del>				<del>554</del>		
<del>--WG--</del>	<del>1</del>	<del>37</del>	<del>39</del>		<del>6</del>	<del>1</del>	<del>7</del>		<del>1</del>	<del>47</del>		
<del>--WG-CG-</del>	<del>25</del>	<del>31</del>	<del>60</del>	<del>3</del>	<del>10</del>	<del>3</del>	<del>16</del>	<del>1</del>	<del>1</del>	<del>77</del>		
<del>--WG-CG-SE</del>	<del>3</del>	<del>22</del>	<del>25</del>		<del>5</del>	<del>5</del>				<del>30</del>		
<del>--WG--SE</del>		<del>2</del>	<del>2</del>							<del>2</del>		
Grand Total	76	1,356	1,441	79	229	64	372	21	32	44	97	1,910

Source: NMFS AKR LLP data publicly available on their web site as of 4/20/2000, and expected gear endorsement information from the NMFS "Official Record Database"

96-11800 67 78 83 85

The second section (Tables 3-10) reports information on retained catch of GOA Pacific cod and number of vessels that actually made landings during the 1995-99 time period. That information was derived from ADF&G fish ticket data. Therefore, information reported by at-sea processors is excluded. Recall that under the Inshore/Offshore program in the GOA, only 10% of the Pacific cod may be processed by processors defined as "offshore". Given these I/O regulations, fish ticket data should provide a fairly good estimate of harvest and participation in the directed GOA cod fishery. In these tables, a directed fishery was assumed to be when Pacific cod accounted for at least 50% of the day's landings.

Tables 3 through 5 report the retained catch by all vessels, the catch by LLP qualified vessels in the GOA, and the catch by vessels not GOA qualified. The analysts did not determine if the vessel was endorsed to fish in the GOA area where they made the harvest, only whether the vessel held a general license for the GOA.

	<60'	60-124'	125+'	GOA Licenses
CG	23	450	474	547
CG-SE		163	163	174
SE	2	540	542	554
WG	1	37	39	47
WG-CG	25	31	60	77
WG-CG-SE	3	22	25	30
WG-SE		2	2	2
Grand Total	76	1,356	1,441	1,910

**Summary of GOA Pacific Cod Fishery**

Several tables have been developed to help describe the GOA Pacific cod fishery. This information was developed at the request of the Council, to aid them when they discuss potential measures to further rationalize the GOA Pacific cod fishery.

The tables fall into two general categories. The first category (Tables 1 and 2) reports information on vessels that currently hold LLP endorsements to fish in the GOA. Information compiled in those tables was taken from the NMFS AKR LLP data base (available on their web site) and data from the NMFS "Official Record" data base. Data on the number of licenses issued and the length categories was taken from the data on the NMFS web site, and data used to estimate the gear type that is expected to be added to a license in future years was taken from the NMFS "Official Record" data base.

Table 1: Number of LLP Area Endorsements Expected to be Issued and Whether the Permit is Under Appeal

Endorsement Area	Length Class	Licenses Under Appeal			Interim Total	Permanent Permits			Permanent Total	Grand Total
		Both	Fixed	Trawl		Both	Fixed	Trawl		
Western GOA	<60'	17	101	3	121	32	72	5	109	230
	60-124	16	77	25	118	28	52	33	113	231
	125+	9	20	21	50	8	8	20	36	86
Central GOA	<60'	23	300	3	326	46	453	5	504	830
	60-124	26	104	20	150	44	81	26	151	301
	125+	7	12	18	37	8	7	9	24	61
Southeast GOA	<60'	2	274	0	276	5	488	0	493	769
	60-124	2	29	2	33	2	16	0	18	51
	125+	2	5	2	9	0	0	0	0	9
Total Western GOA		42	198	49	289	68	132	58	258	547
Total Central GOA		56	416	41	513	98	541	40	679	1,192
Total Southeast GOA		6	308	4	318	7	504	0	511	829

Source: NMFS AKR LLP data publicly available on their web site as of 4/20/2000, and expected gear endorsement information from the NMFS "Official Record Database"

Note: The "Licenses Under Appeal" section includes specific endorsements that are not under appeal. However, they are included in this section because the overall license to which they are attached is being appealed, and we are unable to determine from the data which endorsements on the general license are under appeal.

Table 7: Number of vessels not LLP qualified in GOA fishing for Pacific cod<sup>1</sup>, 1995-99

Year	Vessel Length	Federal Zone										Total
		610	620	630	640	649	650	659	(blank)			
1995	<60'	2	2	5								8
	60'-124'	3										3
	125'+	5	2	5								11
1995 Total		2	2	5								2
1996	<60'	7	1									8
	60'-124'	2	1									3
	125'+	11	2									13
1996 Total		12	1	2								8
1997	<60'	1										1
	60'-124'	13	1	2								1
	125'+	8	2	2								12
1997 Total		4	2	2								5
1998	<60'	12	2	3								17
	60'-124'	3	1	1								4
	125'+	1	1									1
1998 Total		4	2	1								5
1999	<60'	4	2	1								5
	60'-124'	31	9	8								39
	125'+											
Grand Total												

Source: ADF&G Fish ticket data, 1995-99.

1/ Includes only landings when Pacific cod accounted for at least 50% of a vessel's catch in a day

Table 6: Number of LLP qualified vessels fishing for Pacific cod<sup>1</sup>, 1995-99

Year	Vessel Length	Federal Zone										Total
		610	620	630	640	649	650	659	(blank)			
1995	<60'	69	64	246	8	34	28	91				440
	60'-124'	64	37	96	5	5	2	1			159	
	125'+	7	6								10	
1995 Total		140	107	342	13	39	30	92			609	
1996	<60'	64	57	162	11	14	30	96			345	
	60'-124'	27	38	67	5	3	2	3			112	
	125'+	1	5								6	
1996 Total		92	100	229	16	17	32	99			463	
1997	<60'	71	78	222	5	22	41	91			428	
	60'-124'	39	33	79	1	2	1	2			122	
	125'+	6	4								8	
1997 Total		116	115	301	6	24	42	93			560	
1998	<60'	73	88	196	3	21	23	68			368	
	60'-124'	40	43	83	5	4	2	3			128	
	125'+	2	2								2	
1998 Total		113	133	279	8	25	25	71			498	
1999	<60'	73	77	187	6	20	20	70			364	
	60'-124'	39	39	85	2	3	1	1			120	
	125'+	2	1	3							4	
1999 Total		105	117	275	8	23	20	71			488	
Grand Total		236	272	502	40	67	105	213			966	

Source: ADF&G Fish ticket data, 1995-99.

1/ Includes only landings when Pacific cod accounted for at least 50% of a vessel's catch in a day

Note: A vessel's catch for all zones is included if it held a GOA license. If it does not hold an endorsement for that area it

2000

1. Includes GOA  
2. Multiple licenses

1

#5

67 - 96

**Gulf of Alaska Co-op Committee**  
**October 5, 2000**  
**Minutes**

In attendance were Chairman Dave Hanson, Committee members Duncan Fields, Ken Roemhildt, Chris Blackburn, John Iani, Joe Childers, John Henderschedt, Kris Norosz, Beth Stewart. Jane DiCosimo provided staff support. Nine members of the public attended.

Motion: Recommend that the Council eliminate latent licenses in the GOA using a recency requirement as soon as possible.

Motion. The GOA rationalization committee requests that the NPFMC begin to develop a rationalization plan for the GOA that will facilitate:

1. the continued participation of long time fisherman and processors;
2. long-term survival of coastal fishing communities.

Motion: Committee members will provide proposals by January 15 for review at the next committee to be held at the February Council meeting.

The Committee will propose to the Council a menu of options for analysis that could be selected for each regulatory area or subareas (i.e., Area 630 may be subdivided into PWS, Kodiak and Cook Inlet areas.)

The committee adjourned at 6:30 pm.

**United Fishermen's Marketing Association, Inc.**

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Kodiak, AK 99615

tel: 907-486-3453; fax: 907-486-8362

Testimony

North Pacific Fishery Management Council

10/00 Meeting

Jeff Stephan, UFMA

D-1(c) Groundfish Management: GOA Rationalization

**I. Request:**

That the Council assertively move ahead with the development and adoption of recency endorsements for the GOA p. cod fishery.

That the Council begin the analysis of the alternatives and options for recency endorsements for the GOA p. cod fishery that were recommended to the Council by the Advisory Panel in June, 2000.

That the Council schedule the issue of recency endorsements for the GOA p. cod fishery for further development and action at the December, 2000, Council meeting.

**II. Background:**

In April, 2000, the Council appropriately adopted Amendment 67 which accomplishes recency endorsements for the BSAI p. cod fixed gear fisheries.

During consideration of Amendment 67, the Council and the Advisory Panel heard significant public testimony that indicated that such recency endorsements would have the effect of displacing a significant number of vessels to the GOA p. cod fishery from the BSAI fixed gear p. cod fishery.

GOA p. cod harvesters are concerned that this displacement will negatively impact the entire GOA p. cod fishery, including trawl, pot, hook and line and jig harvesters who have an economic dependency on the GOA p. cod fishery. Several GOA p. cod harvesters have indicated that their activities in the GOA p. cod fishery are very important to them, and that they are concerned that their opportunities to harvest GOA p. cod are at serious risk from latent GOA groundfish licenses, and from the influx of displaced BSAI fixed gear vessels.

The Council discussed these concerns and consequences during their consideration of Amendment 67 (April, 2000), and scheduled a discussion of recency endorsements for the GOA p. cod fishery for the June, 2000, Council Agenda (see excerpts from the Council "News And Notes", April, 2000).

In considering Amendment 67 during the April, 2000, meeting, the Advisory Panel requested the Council to "initiate analysis to establish p. cod species and area endorsements in the GOA that mirror the BS elements and options." (see excerpts from the April, 2000, AP minutes)

Council staff prepared a discussion paper for the June, 2000, Council meeting that included preliminary data that are germane to Council action to adopt recency endorsements for the GOA p. cod fisheries.

The Council agreed during the April, 2000, meeting to begin to consider the issue of recency endorsements for the GOA p. cod fishery at the June, 2000, Council meeting (see excerpts from the Council "News And Notes", April, 2000)

The AP recommended a suite of alternatives and options to the Council during the June, 2000, meeting that were intended to serve as a basis to expand the Council discussion paper and continue the development of recency endorsements for the GOA p. cod fishery. The AP minutes read, in part, "The AP recommends that the Council begin an initiative to implement further LLP endorsements for GOA P.cod and BSAI trawl P.cod. If

an initiative for further LLP endorsements in the BSAI P.cod trawl fisheries is supported by the AP, it is with the clear intent that the GOA is a clear priority and in great need of immediate attention . . ."

The AP did not address GOA Rationalization (D-1) or Staff Tasking (D-3) during the October, 2000, meeting because of time constraints. However, the October, 2000, AP recommendation on Agenda Item C-2 (b) "Groundfish Processing Sideboards and Excessive Share Caps" states, in part, ". . . Additionally, the AP requests the analysis include a recency requirement for trawl vessels." (see excerpt from October, 2000, AP Minutes). Therefore, affected individuals in the BSAI trawl p. cod fishery were successful in restating their need for recency requirements in the AP recommendation with respect to the "Groundfish Processing Sideboards and Excessive Share Caps" Agenda item. Since this Agenda item was specific to the BSAI, it was not possible for affected individuals in the GOA p. cod fishery to use this vehicle to restate their similar need. As previously noted, in April, 2000, the AP indicated the need for recency endorsements in the BSAI trawl p. cod fishery; however, it was positioned as secondary to the need for recency endorsements in the GOA p. cod fishery. Nevertheless, this attempt to address recency endorsements in the BSAI trawl p. cod fishery is a further indication that recency endorsements in the BSAI and GOA p. cod fisheries are in need of immediate Council attention. We note that the original AP motion in April, 2000, with respect to this issue indicated that the need for GOA recency endorsements in the GOA p. cod fishery was "a clear priority and in great need of attention."

The Council has invested a great deal of its resources in issues that address BSAI groundfish. We respectfully request the Council to address a pressing need in the GOA p. cod fishery; that is, the adoption of recency endorsements for the GOA p. cod fishery.

Developing a rationalization package that is ready for final Council action, and that encompasses all GOA groundfish species (Areas 620-640) is a very difficult task, and will "take considerable time to develop and implement." (See MEMORANDUM for the October, 2000, Agenda Item D-1(c); September 27, 2000; SUBJECT: Gulf of Alaska Rationalization). Moreover, the realities of the FMP Amendment and rulemaking process lead to the conclusion that the effective date of the regulations that implement a Plan Amendment for such a broad program as is represented by an all-species GOA rationalization program is so far into the future as to be questionable as to its ability to be meaningful, and to solve contemporary problems. Specific and immediate needs of the GOA p. cod fishery, including the interaction of Steller sea lions with the p. cod fishery, can be more readily addressed by the implementation of recency endorsements for GOA p. cod. The removal of latent licenses in the GOA p. cod fleet through the implementation of recency endorsements will result in a more rational p. cod fleet that will converge sometime in the future with an all-species GOA rationalization initiative.

### III. References:

#### A. Excerpt from the April, 2000, Advisory Panel Minutes:

"C-4 Pacific Cod License Limitation Endorsements

"The AP recommends the Council adopt Alternative 2-Limit entry to the BSAI P. Cod fixed gear fisheries based on historical participation. motion passed 16-0. . .

"Finally, the AP requests the Council to initiate an analysis to establish p. cod species and area endorsements in the GOA that mirror the BS elements and options. motion passed 16-0"

#### B. Articles from the April, 2000, North Pacific Fishery Management Council "News and Notes", Volume 2-2000:

"BSAI Pacific Cod License Limitation Program: The Council approved the . . . program for applying Pacific cod endorsements to vessels with appropriate levels of historic participation in the BSAI fixed gear cod fishery. . . Required catch history to earn a Pacific cod endorsement was defined for the freezer longline, longline catcher vessel, pot catcher processor, and pot catcher vessel sectors. . . Gulf of Alaska Issues: The Council also noticed industry that they will be considering rationalization options for the GOA P.cod fisheries at the June 2000 Council meeting(see below). As part of that motion, the Council also noticed industry that landings that take place after April 16, 2000 may not count in any GOA rationalization programs considered by the Council."



"Gulf of Alaska Co-op Committee: While the Council discussion this coming June (discussed in previous LLP article) may be specific to Gulf Pacific cod fisheries, the Gulf of Alaska Co-op Committee . . ."

C. Excerpt from June, 2000, Advisory Panel Minutes:

"C-5 Staff Tasking (b) Next steps on GOA P.cod rationalization

"The AP recommends that the Council begin an initiative to implement further LLP endorsements for GOA P.cod and BSAI trawl P.cod. If an initiative for further LLP endorsements in the BSAI P.cod trawl fisheries is supported by the AP, it is with the clear intent that the GOA is a clear priority and in great need of immediate attention. It is noted that the endorsements may be different for the different areas of the GOA (WGOA, CGOA, etc.) . . ."

"Motion passed unanimously 17-0."

D. Article in the June, 2000, North Pacific Fishery Management Council "News and Notes", Volume 3-2000:

"Gulf of Alaska Cooperatives: . . . A separate initiative to rationalize the Gulf Pacific cod fishery is being considered by the council. . ."

E. Excerpt from October, 2000, Advisory Panel Minutes:

"C-2 (b) Groundfish Processing Sideboards and Excessive Share Caps

"Processing Sideboards-The AP recommends . . . Additionally, the AP requests the analysis include a recency requirement for trawl vessels. (Motion passed 9-8)"

F. Excerpt from the Staff MEMORANDUM for the October, 2000, Agenda Item D-1(c) (September 27, 2000; SUBJECT: Gulf of Alaska Rationalization).

"During final action on AFA . . . the Council added a framework proposal . . . for pollock co-operatives in the Gulf of Alaska to staff tasking noting that this task would not be started by staff until the committee formed to study this issue has completed its work.

"It is likely that such a broad program (all groundfish species in Area 620-640) would take considerable time to develop and implement. Coincident with GOA rationalization, the Council has also noticed the public that it is considering rationalization options specifically for the GOA Pacific cod fisheries. The Council indicated it may wish to initiate more near-term rationalization options specifically for the cod fisheries . . ."