

Executive Director's Report

Board of Fish MPA Steering Committee

Council member Stosh Anderson and I attended the Board of Fish meeting in October where we discussed our progress on the EFH EIS, and listened to the Board's discussion of their MPA initiative. Item B-1(a) is a recent notice from the Board summarizing their effort to create an MPA Steering Committee, with nominations due November 27 and appointments to be made this week. Given the direction from the last Joint Council/Board meeting, the intent is to coordinate the efforts of the Board and Council in this regard. The Joint Protocol Committee met last night to discuss this and other issues (a written report will be forthcoming). Related to this is a reminder that, since we are meeting in Seattle this February, the next Joint Council/Board meeting will be scheduled in conjunction with our April meeting in Anchorage. By that time the Board's MPA Steering Committee will have provided an initial report to the Board, and we will likely have a clearer picture of how the Council and Board efforts can best be coordinated.

Meeting with Y-K Subsistence Regional Councils

I reported in October that we would be meeting with several of the Chairs of the Subsistence Regional Councils, along with representatives from the Federal Office of Subsistence Management. David Witherell and I met with them on November 7, along with Board of Fish Chairman Ed Dersham and representatives from the pollock fishery cooperatives. We held a very informative and productive meeting - we were enlightened to the specific concerns among the Council Chairs with regard to the importance of salmon to their communities and traditional lifestyles, and we in turn provided them with information on salmon bycatch in our fisheries, the relative magnitude of that bycatch, and the ways in which the Council and the industry are attempting to minimize bycatch in those fisheries. I want to extend special thanks to Brent Paine, John Gruver, and Karl Haflinger for attending the meeting and making a presentation on the efforts of the pollock fishery cooperatives. A summary of the meeting, the attendees, and a few follow-up tasks is provided under Item B-1(b). I believe this meeting was an important one, and left the Council Chairs with a better understanding and appreciation of the efforts of the Council and industry with regard to salmon bycatch.

Potential Settlement Negotiations

On October 30 a hearing in Judge Zilly's court resulted in a request for the agency and the plaintiffs to consider further settlement negotiations relative to litigation challenging the BiOp and RPAs developed last fall. I requested Council participation in any settlement negotiations (Item B-1(c)), and Dr. Hogarth responded in support of Council participation (Item B-1(d)). However, the final decision regarding our participation apparently rests in the hands of Department of Justice and NOAA General Counsel attorneys. On November 19 initial discussions were held between the agency and the plaintiffs (and defendant intervenors), where it was determined that further settlement negotiations relative to ESA (SSL) issues would not be productive. However, it was decided that settlement negotiations under NEPA (relative to the DPSEIS) might progress. On November 26 initial discussions were held between the agency and the plaintiffs (and defendant intervenors) to discuss these NEPA issues, but as of Wednesday, November 27, we were informed by NOAA GC and DOJ that we could not be informed whatsoever regarding these discussions. And, that the issue of Council involvement had not been resolved, apparently due, at least in

part, to the plaintiffs' opposition to Council involvement. So, our status relative to any future settlement negotiations remains in limbo as of November 27.

Related to these issues, Item B-1(e) is a copy of the agency's response to the plaintiff's objection to the revised schedule for the DPSEIS (sent in a recent Council mailing). The plaintiff's objection requested an expedited timeline for completion of the DPSEIS, while the agency response supports the revised schedule that we are currently under. This issue will likely be at the center of any additional court hearings and/or settlement negotiations.

Additional response to U.S. Ocean Commission

I reported in October on the activities of the U.S. Ocean Commission in Alaska, including the written testimony provided by Chairman Benton in August. In late September the Commission requested additional information on the activities of both the Council and the North Pacific Research Board (NPRB). A copy of the joint response we provided is included under Item B-1(f). Their primary interest regarding the Council was in the area of ecosystem considerations and measures to address overcapitalization.

Letter to NMFS - 'not overfished vs undefined'

Item B-1(g) is a copy of the letter I sent to NMFS following the October Council meeting, urging the agency to not reclassify the status of several groundfish stocks from 'not overfished' to 'undefined' because the FMPs do not specify MSSTs. Rather, we urged them to use the entire specifications, and all of the information in the SAFE reports, as the basis for these classifications. I understand that the agency does intend to do so, and not reclassify these stocks as 'undefined'.

WFN function on Thursday night

I was asked to remind everyone that the Women's Fisheries Network (WFN) will be holding a meeting and subsequent reception tomorrow evening.

Get your travel expense claims in!

Please get your travel expense forms for this meeting turned in to Gail as soon as possible after this meeting, as we are getting close to the end of year bookkeeping necessities. If you still have outstanding travel claims from previous meetings, you *really* need to get those turned in asap.

STATE OF ALASKA

DEPARTMENT OF FISH AND GAME

Board of Fisheries

TONY KNOWLES, GOVERNOR

P.O. BOX 25526
JUNEAU, AK 99802-5526
PHONE: (907) 465-4110
FAX: (907) 465-6094

RECEIVED

NOV 4 2002

October 28, 2002

Dear Stakeholder:

N.P.F.M.C

The Board of Fisheries is developing a deliberative process for considering and evaluating marine protected areas (MPA). The goal in developing this process is to ensure close coordination with other agencies, other organizations, and meaningful participation and input from stakeholders and the public. With this letter, the board is soliciting nominations for participants in an MPA Steering Committee that will be charged with developing a draft policy, described below.

As a first step with regards to MPAs in Alaska, the board will consider developing a policy that includes principles, criteria, guidelines, and public process for establishing MPAs. The draft policy would also include implementation steps for the board and public.

In order to include stakeholder input into formation of a draft policy, the board will empanel an MPA Steering Committee to develop the policy for full public review. The Steering Committee will be composed of two board members, ten stakeholders that represent the various regions and interest groups in Alaska, and department staff. Stakeholder participants will be responsible for their own travel expenses to attend Steering Committee meetings. The Steering Committee will report on its progress to the full board at the March 2003 meeting in Anchorage.

The deadline for nominations for the stakeholder members of the Steering Committee is 5:00 p.m., November 27, 2002 (nominations must be received by this date; a postmark is not sufficient). Nominations should be sent to the following office:

Alaska Department of Fish and Game
Boards Support Section
P.O. Box 25526
Juneau, AK 99802
Fax: 907-465-6094

The board will select participants with a goal of broad regional representation as well as broad interest group representation. The stakeholder representatives will be announced at the board's December 5-6, 2002 meeting in Anchorage.

Sincerely,



Diana Cote, Executive Director
Alaska Board of Fisheries

MEETING SUMMARY:

**Open Discussion Meeting
On High Sea Salmon By-Catch Issue**

North Pacific Fisheries Management Council Staff,
Pollock Fishery Cooperative Representatives &
Chairs of the Yukon-Kuskokwim Subsistence Regional Councils

**November 7, 2002, 10:00 a.m. – 2:30 p.m.
Anchorage Office of Subsistence Management**

Attendance:

Alaska Board of Fisheries: Ed Dersham, Chair

North Pacific Fishery Management Council:

Chris Oliver, Executive Director

David Witherell, Deputy Director

United Catcher Boats Pollock Fishery:

John Gruver, Intercoop Manager & Brent Paine, Executive Director

Sea State: Karl Haflinger

Subsistence Regional Council Chairs:

Gerald Nicholia, Eastern Interior Regional Council

Mike Savage, Yukon-Kuskokwim Delta Regional Council

Ron Sam, Western Interior Regional Council

Della Trumble, Kodiak/Aleutians Islands Regional Council

Bureau of Indian Affairs: Ida Hildebrand & Glen Chen

Fisheries/Ecological Services, Fish & Wildlife Service: Tony DeGange

Office of Subsistence Management:

Tom Boyd, Director

Pete Probasco, Board of Fisheries Liaison

Don Rivard & Tim Roster, Division Chiefs

Others: Michelle Chivers, Donald Mike, Alex Nick, Vince Mathews, Tom Kron,
Rich Uberuaga, & Rich Cannon

Highlights:

- David Witherell gave an overview of the salmon bycatch in the Alaska groundfish fisheries. Discussions centered around (1) the historic data of salmon bycatch for the Bering Sea and Gulf of Alaska, (2) the seasonal bycatch pattern of Chinook salmon bycatch in winter and Chum bycatch in fall, and (3) salmon bycatch estimated adult equivalents for both salmon species.
- Regional Council representatives shared the importance of salmon to their communities and traditional subsistence lifestyle. Ron Sam shared his concern that as the salmon returns decline, there is more demand to harvest other species (moose) to meet subsistence needs. This puts more harvest pressure on populations that may not be able to take the increased demand. Della Trumble shared the negative effects on her region when commercial fisheries are restricted or closed.

- Brent Praine, John Gruver, and Karl Haflinger gave a presentation on how the cooperatives are more flexible to response to bycatch concerns because of being quota based and not competitive based. Gruver and Haflinger gave an overview of efforts of the cooperatives' actions to avoid or reduce bycatch of salmon. Actions include real time exchange of bycatch data, listing of the "dirty dozen" ships that have high bycatch rates, sharing and avoiding hot spot bycatch areas, and voluntary closing of areas. Better communication and competition to be a low bycatch captain has been effective.
- The Regional Council representatives appreciated the sharing of information on bycatch and the efforts of the cooperatives to self-regulate to avoid or reduce salmon bycatch. All commented viewing the pollock fisheries in a new light. Gerald Nicholia and other Regional Council representatives want to continue to work cooperatively to resolve the bycatch issue and agree many times the harvesters/users can find ways to solve problems that government agencies cannot.
- Ed Dersham shared his appreciation for the meeting and praised the professional reputation of the North Pacific Fisheries Management Council.

Follow Up Tasks:

- Chris Oliver will provide for the Regional Council representatives color copies of the maps showing the relative bycatch of Chinook and Chum Salmon from the 2001 trawl fishery.
- Chris Oliver and staff will investigate further the possibilities of using genetic sampling of the bycatch salmon to determine streams of origins for the salmon. Feasibility and funding will be looked at.
- John Gruver and Karl Haflinger will provide an electronic version of their presentation for the Regional Council representatives and will explore having a power point version available on the Internet.
- Regional Coordinators will mail copies of the brochure, "Responsible Fisheries Management into the 21st Century, a report from the North Pacific Fishery Management Council" to their respective Regional Councils.

North Pacific Fishery Management Council

David Benton, Chairman
Chris Oliver, Executive Director



605 W 4th Ste 306
Anchorage, AK 99501-2252

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Fax: (907) 271-2817

Visit our website: www.fakr.noaa.gov/npfmc

November 6, 2002

Dr. William Hogarth
Assistant Administrator for Fisheries
National Marine Fisheries Service
1315 East West Highway
Silver Spring, MD 20910

Dear Dr. ~~Hogarth~~^{Bill}:

I was unable to attend the recent hearing in Seattle regarding the Steller sea lion case, but understand that Judge Zilly requested the agency to engage in settlement discussions with the plaintiffs, to try and resolve this issue. In light of the recent, high degree of cooperation between NMFS and the Council in this matter, and taking into account the opinions reflected in our recent independent legal review (including the opinion that the Council is part of the action agency for purposes of ESA, and should be included in any settlement negotiations), I respectfully request, on behalf of the Council, that we be included in any settlement negotiations that occur between the agency and the plaintiffs.

Given the tremendous amount of work we have devoted to development of the current RPAs, and the critical importance of these management measures to the fisheries we manage, I believe it is appropriate and necessary that we have a place in these discussions. I would recommend that our Council Chairman, David Benton, be designated as the specific representative of the Council for this purpose, with myself as an additional representative, or myself designated as an alternate for our Chairman.

Thank you for considering this request, and we look forward to your positive response.

Sincerely,

Chris Oliver
Executive Director

CC: Lisa Lindeman
Jonathan Pollard
Jim Balsiger



UNITED STATES DEPARTMENT OF COMMERCE
 National Oceanic and Atmospheric Administration
 NATIONAL MARINE FISHERIES SERVICE
 1315 East-West Highway
 Silver Spring, Maryland 20910
 THE DIRECTOR

AGENDA B-1(d)
 DECEMBER 2002

NOV 18 2002

RECEIVED
 NOV 19 2002
 N.P.F.M.C

Mr. Chris Oliver
 Executive Director
 North Pacific Fishery Management Council
 605 West Fourth Avenue
 Anchorage, Alaska 99501-2252

Dear Mr. Oliver:

Thank you for your letter requesting that the North Pacific Fishery Management Council (Council) be included in any settlement negotiations between NOAA Fisheries and the plaintiffs in the ongoing Greenpeace v. Evans lawsuit challenging the biological opinions prepared on the Alaska groundfish fishery management plans and the Council's revised Steller sea lion protection measures.

NOAA Fisheries agrees that Council participation in any settlement negotiations is appropriate. We have, through the Department of Justice (DOJ), informed the plaintiffs that we will insist that the Council be involved in any negotiations. The manner and extent to which the Council is involved, however, will be at the discretion of the DOJ and NOAA General Counsel attorneys representing NOAA Fisheries in this case.

We look forward to working closely with the Council and defendant-intervenors to reach a satisfactory resolution to this matter. We will inform you as soon as we know whether settlement negotiations will occur under the terms we have delivered to the plaintiffs.

Sincerely,

William T. Hogarth

William T. Hogarth, Ph.D.



Honorable Thomas S. Zilly

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IN THE UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

GREENPEACE, AMERICAN OCEANS CAMPAIGN,
and SIERRA CLUB,

Plaintiffs,

v.

Civ. No. C98-0492Z

NATIONAL MARINE FISHERIES SERVICE, and
DONALD L. EVANS, in his official capacity as
Secretary, United States Department of Commerce,

Defendants, and

AT-SEA PROCESSORS ASSOCIATION,
WESTWARD SEAFOODS, INC.,
UNITED CATCHER BOATS, and
ALEUTIAN EAST BOROUGH, et al.,

Defendant-Intervenors.

**DEFENDANTS' RESPONSE TO PLAINTIFFS' OBJECTION TO
REVISED SCHEDULE FOR COMPLETION OF
FINAL PROGRAMMATIC SUPPLEMENTAL
ENVIRONMENTAL IMPACT STATEMENT**

Plaintiffs have objected to the revised schedule of the National Marine Fisheries Service (NMFS) for the completion of the final Programmatic Supplemental Environmental Impact Statement (Programmatic SEIS or PSEIS), which was set forth in the declaration of NMFS Regional Administrator Dr. James W. Balsiger (filed with the Court on September 27, 2002). Under this revised schedule, NMFS plans to issue a new draft PSEIS in September 2003; a final PSEIS in January 2005; and a Record of Decision (ROD) in May 2005. See Balsiger Declaration (Sept. 27,

DEFENDANTS' RESPONSE TO PLAINTIFFS' OBJECTIONS
TO DECLARATION OF DR. JAMES W. BALSIGER

UNITED STATES DEPARTMENT OF JUSTICE
Environment and Natural Resources Division
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1 2002), ¶ 4(b).

2 In their objection, plaintiffs claim that NMFS is taking too long to prepare the PSEIS; that
3 NMFS offers "no reasonable justification" for the amount of time allocated under the revised
4 schedule; and that the Court should require NMFS to issue the final PSEIS in September 2003, and
5 the ROD by December 31, 2003. Plaintiffs' Objection at 2-4. Plaintiffs request "a status conference
6 to discuss and establish a schedule for the PSEIS and the ROD at its earliest convenience." *Id.* at
7 5.

8 Plaintiffs' claims regarding NMFS's revised schedule are unwarranted. As set forth in the
9 attached declaration of Dr. Balsiger (Attachment 1 hereto), NMFS has ample reasonable justification
10 for its revised schedule for the completion of the PSEIS. The justification is based upon the need
11 to allow sufficient time for NMFS to complete its process for preparing the PSEIS, including re-
12 structuring the alternatives for the PSEIS;^{1/} preparing analyses of the restructured alternatives and
13 substantially revising other portions of the previous draft PSEIS; evaluating and responding to public
14 comments on the previous draft PSEIS; developing full-blown possible fishery management plans
15 (FMPs) to illustrate the environmental and social impacts of the restructured alternatives; preparing
16 and issuing for public comment a new draft PSEIS that incorporates the restructured alternatives and
17 analyses; reviewing public comments on the new draft PSEIS and revising the document in light
18 thereof; and finalizing and issuing the final PSEIS and the ROD based thereon. *See* Balsiger
19 Declaration, ¶¶ 6-19. This process necessarily involves NMFS working and coordinating closely
20 with the North Pacific Fishery Management Council, in accordance with the agency's statutory
21 obligations, as well as with the interested public. *Id.* In NMFS's view, the revised schedule is
22 prudent, reasonable, and essential for producing a final PSEIS that complies with the requirements
23 of NEPA. *Id.*, ¶ 6.

24 _____
25 ^{1/} Plaintiffs express a continuing concern that NMFS's "approach to alternatives analysis may
26 be flawed." As previously explained to plaintiffs, NMFS takes the position that plaintiffs' concern
27 is without merit. Nevertheless, NMFS agrees with and supports plaintiffs' commitment to work with
the agency to produce a final PSEIS that meets the requirements of NEPA and this Court's orders.

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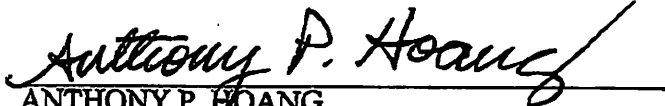
1 Defendants do not oppose plaintiffs' request for a status conference. As the Court is no doubt
 2 aware, the parties in this case filed a joint status report on November 21, 2002, in which they stated
 3 their agreement to continue discussing settlement of the claims under the National Environmental
 4 Policy Act of 1969 (NEPA), 42 U.S.C. § 4321 et seq., and they respectfully requested that the Court
 5 set a telephonic status conference on December 18 or the morning of December 19, 2002, to discuss
 6 the status of the NEPA claims.

7 Respectfully submitted this 22nd day of November, 2002

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 United States Attorney
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28 DEFENDANTS' RESPONSE TO PLAINTIFFS' OBJECTIONS
 TO DECLARATION OF DR. JAMES W. BALSIGER

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Honorable Thomas S. Zilly

IN THE UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

GREENPEACE, et al.,)
)
 Plaintiffs,)
)
 v.)
)
 NATIONAL MARINE FISHERIES SERVICE, and)
 DONALD L. EVANS, in his official capacity as)
 Secretary, United States Department of Commerce,)
)
 Defendants, and)
)
 AT-SEA PROCESSORS ASSOCIATION,)
 WESTWARD SEAFOODS, INC.,)
 UNITED CATCHER BOATS, and)
 ALEUTIAN EAST BOROUGH, et al.,)
)
 Defendant-Intervenors.)
 _____)

Civ. No. C98-0492Z

DECLARATION OF DR. JAMES W. BALSIGER

I, DR. JAMES W. BALSIGER, declare:

1. I am the Alaska Regional Administrator of the National Marine Fisheries Service ("NMFS"), National Oceanic and Atmospheric Administration ("NOAA"), of the United States Department of Commerce.
2. As part of my official duties, I am responsible for coordinating the Alaska Region's scientific and policy programs to ensure their effectiveness for the scientific study,

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management, and conservation of the living marine resources in the North Pacific Ocean, including fish populations in waters off Alaska, marine mammal populations, and the impacts of the groundfish fisheries managed in accordance with the Fishery Management Plans ("FMPs") for the Bering Sea and Aleutian Islands ("BSAI") and the Gulf of Alaska ("GOA"). In my capacity as Alaska Regional Administrator, I assist the Secretary of Commerce ("Secretary") in carrying out his responsibilities for complying with the National Environmental Policy Act, as that statute applies to the development and implementation of FMPs for achieving conservation and management of the groundfish fisheries of the BSAI and the GOA pursuant to the Secretary's authority under the Magnuson-Stevens Fishery Conservation and Management Act. These efforts include the preparation of the Programmatic Supplemental Environmental Impact Statement (hereinafter "Programmatic SEIS"). As a result, I am familiar with and participate in the development of the Programmatic SEIS.

3. By Order dated August 6, 1999, this Court remanded the Final Supplemental Environmental Impact Statement issued by NMFS in December 1998 for "preparation of a Programmatic SEIS consistent with [the] Court's July 13, 1999 Amended Order." Remand Order dated August 6, 1999, at 3. Also, the Court ordered NMFS, among other things, to "file written reports regarding the progress of its NEPA process every 60 days, starting from the date of [the] Order." *Id.*, at 4.

4. On September 27, 2002, NMFS submitted to the Court its 60-day status report regarding the progress made in completing the Programmatic SEIS. As part of the status report, NMFS proposed a revised schedule for the completion of the Programmatic SEIS. Under the

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revised completion schedule, NMFS will issue a revised draft Programmatic SEIS on September 12, 2003; a final Programmatic SEIS on January 14, 2005, and a Record of Decision on May 2, 2005.

5. On October 30, 2002, Plaintiffs filed an Objection to Proposed Schedule for Completion of Final Programmatic Supplemental Environmental Impact Statement and Request for Status Conference [hereinafter "Objection"]. Plaintiffs argue, among other things, that NMFS has not provided adequate justification for the most recent revision of the Programmatic SEIS completion schedule. Plaintiffs request that the Court require NMFS to adhere to a completion schedule that was originally proposed in NMFS's November 21, 2001 status report. The November 2001 status report proposed the issuance of the revised draft Programmatic SEIS in September 2002, the final Programmatic SEIS in September 2003, and the Record of Decision no later than December 31, 2003.

6. The purpose of this declaration is to set forth NMFS's rationale for its revised Programmatic SEIS completion schedule. NMFS is committed to completing the Programmatic SEIS by the deadlines set forth in the revised schedule. As shown below, the revised schedule is prudent, reasonable, necessary, and it will result in a better quality Programmatic SEIS with full public involvement.¹ I base this declaration on my official and personal knowledge and information.

¹For the convenience of the Court, I have attached a chart illustrating the revised Programmatic SEIS completion schedule and its milestones (Attachment 1).

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NMFS Needed the Additional Time to Prepare the Restructured Alternatives.

7. As this Court is aware, NMFS announced its decision to revise the draft Programmatic SEIS and restructure the alternatives in November 2001. Further, NMFS announced that the revised draft Programmatic SEIS would be issued in September 2002.

8. Immediately following its decision to revise the document, NMFS began working on the restructured alternatives. It took NMFS seven months to develop restructured alternatives for the revised draft Programmatic SEIS (November 2001 to June 2002). NMFS explained the new format for the restructured alternatives to the public and the North Pacific Fishery Management Council ("Council") at the Council's December 2001 meeting and then released the draft restructured alternatives for public review and comment in January 2002. Over the next five months, NMFS revised the draft restructured alternatives based on comments from the interested public and the Council. Drawing from its experiences with the first draft Programmatic SEIS, NMFS realized that it was imperative that an appropriate amount of time be made available at this alternative development stage to enable NMFS to develop adequate, detailed, and informative alternatives that would be useful to both the decision-makers and the public and that would not require extensive further revision. The timing for the development of the restructured alternatives necessarily followed the schedule of the Council meetings because the Council is an integral part of NMFS's fishery management process, and, further, the meetings act as a public forum, enabling the public to provide valuable input into the revision process.²

²The North Pacific Council regularly meets 5 times a year, in February, April, June, October and December. The council will hold additional meetings when workload or circumstance require.

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The development of the revised alternatives was a careful, deliberative, and time-consuming process that included engaging the stakeholders and seeking advice from the Council and other interested parties, including other governmental agencies and Alaska Tribal representatives. The structure of the revised alternatives evolved over four Council meetings, held between December 2001 and June 2002. With the benefit of Council and public input, NMFS developed revised alternatives that are both structurally and substantively a significant departure from the previous alternatives. The revised alternatives are significantly more detailed, complex and comprehensive than the alternatives in the first draft Programmatic SEIS.³

³As I stated to this court previously:

"The Council recommended to NMFS four policy alternatives ranging from relatively less to more environmentally precautionary alternatives. Each policy alternative is comprised of a set of FMP policy goal and objective statements, and, except for the status quo alternative (i.e., the existing or current policy), each policy alternative includes two FMP case studies that will serve as bookends to a management framework consistent with that policy. Each FMP bookend will be analyzed separately to indicate the range of potential environmental effects of that policy. The bookends are not intended to be stand-alone alternatives; instead, they are intended to serve as a framework within which future fisheries management decisions will be made. Once the Council chooses a policy-level alternative (and accompanying bookends), it will be committing, to the extent practicable, to devise and implement a fishery management plan consistent with that chosen alternative. The bookends, therefore, establish a range of management tools from which the Council will choose when revising the FMP as well as predicting the range of potential environmental effects from the use of those management tools. This alternative structure recognizes that the resource being managed, as well as the marine ecosystem, is quite dynamic in nature and only partially understood. By providing a range of management tools and showing their potential effects for each policy alternative, NMFS is accounting for the dynamic nature of the fisheries as a whole and providing enough management regime flexibility in each alternative to allow the decision-makers to base decisions on the best available science." See July 29, 2002, Balsiger Declaration, at para. 4.c.

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9. In addition to developing the restructured alternatives, the PSEIS Project Team has worked full-time to substantially revise sections of the draft Programmatic SEIS and prepare responses to public comments received on the first draft Programmatic SEIS. During this time, NMFS staff and/or NOAA General Counsel staff met with representatives of the environmental community (including Plaintiffs) either in person or via teleconference on at least five different occasions to solicit comments on scheduling and the revision of the alternatives. In addition to these meetings, NMFS and NOAA General Counsel staff met informally with Plaintiffs and other environmental groups during the four Council meetings at which the parties discussed revisions of the draft subsequent to the November 2001 status report. Also during this time, NMFS staff actively sought input from representatives of the fishing industry, informally during the Council meetings and also on at least three other occasions. NMFS was in contact with both the Chairman and Executive Director of the Council in an effort to keep the Council fully informed of the status of the draft Programmatic SEIS. In addition to information provided to the Council during its meeting, NMFS and NOAA General Counsel staff met with Council staff on at least two occasions to review the progress of the revisions to the draft Programmatic SEIS.

10. Given the level of public involvement and the number of refinements made to the restructured alternatives as described above, the passage of seven months from the time it was decided to revise the draft Programmatic SEIS until the Council recommended revised alternatives for analysis was not unreasonable.

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NMFS Needs the Additional Time to Prepare the Revised Draft Programmatic SEIS.

11. NMFS's revised schedule for the completion of the Programmatic SEIS allocates approximately 14 months from the development of restructured alternatives to the development and issuance of the revised draft Programmatic SEIS. Since the adoption of the revised alternatives by the Council in June 2002, NMFS staff have been diligently crafting the sample fishery management plans (FMPs) that will accompany each alternative and that will serve as "straw men" to provide the decision makers with an indication of what environmental and social effects may be expected from the adoption of a specific alternative. NMFS staff has begun to analyze the environmental effects of both the alternatives as a whole, and the sample FMPs specifically. The development of the example FMPs has been and continues to be a very complex and at times controversial process. Sample FMPs, two for each revised alternatives, were not included as part of the first draft Programmatic alternatives. Each sample FMP contains numerous specific fishery management measures addressing eleven major FMP components that have been identified as specific areas of concern by the public. Moreover, each management measure in each sample FMP has been tailored to meet the management goals set forth in each alternative. In essence, the NMFS Programmatic SEIS team, working with stakeholders, has had to craft two nearly complete sample FMPs for each of the alternatives except Alternative One (No Action). This task is a huge undertaking. Once the sample FMPs for each alternative have been crafted, NMFS must analyze the management measures in detail, on their own and in combination with others. NMFS staff has repeatedly met with, and continues to meet with, Plaintiffs and representatives from other environmental groups and industry to discuss the exact

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nature of the sample FMPs and has in fact allowed plaintiffs to design (with input and guidance from NMFS staff) one of the two sample FMPs to be included under Alternative Four.

12. NMFS will complete the analyses of the alternatives, including the specific sample FMPs, in March 2003, eight months after the finalization of the restructured alternatives. This significant amount of time is necessary because the analyses are complex, given the alternatives and "bookend" FMPs. Further, NMFS cannot rely on analyses in the previous draft because the new alternatives are so different. NMFS recognizes the importance of taking the time to adequately analyze the alternatives for the draft so that the public is provided with an informative, concise, accurate analysis on which decision-makers can base decisions and the public can comment. NMFS has established a team of approximately 25 NMFS and Alaska Fisheries Science Center staff, and approximately 24 NMFS contractor personnel to develop the revised draft Programmatic SEIS.

13. The public will not have to wait until September 2003 to be presented with information contained within the revised draft Programmatic SEIS. NMFS intends to present a preliminary report of the revised draft Programmatic SEIS's findings and conclusions to the Council and the public at the Council's April 2003 meeting. This preliminary report also will be released on NMFS's webpage, and a newsletter will be mailed to alert the public to the availability of the report. Before NMFS can complete the revised draft Programmatic SEIS for issuance, the Council needs to identify and recommend, and NMFS needs to adopt, a preliminary preferred management alternative. NMFS has requested that the Council provide the agency with its preliminary preferred alternative recommendation at its June 2003 meeting. Under this

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request, the public and the Council will have 60 days to review NMFS' preliminary report regarding the analysis of the potential environmental and social effects of the alternatives. This recommendation, and accompanying justification, will be inserted into the revised draft Programmatic SEIS prior to its release on September 12, 2003.

14. In addition to the new analysis required for the restructured alternatives, NMFS is re-writing, revising, and restructuring the entire original draft Programmatic SEIS in response to public comments to create a document that is better organized and more easily understood. At this time, there are approximately 16 NMFS contractor personnel involved with this ongoing effort on a daily basis.

15. NMFS's revised schedule provides approximately two years between the issuance of the revised draft Programmatic SEIS and the issuance of the final Programmatic SEIS and Record of Decision. As explained earlier, the revised draft Programmatic SEIS will be issued no later than September 12, 2003. Based on lessons learned on this particular project, NMFS is providing a 90-day public comment period on the revised draft Programmatic SEIS in anticipation that the public will want more than the 45-day minimum comment period to review the document and to prepare their comments. Assuming no extensions are granted in response to public requests, the public comment period will end on December 31, 2003.

16. Beginning on January 1, 2004, NMFS will spend four and a half months (March 1 - July 16, 2004) preparing a draft of the Final Programmatic SEIS. During this time, NMFS will be working on finalizing the document by preparing responses to comments and making revisions to the second draft Programmatic SEIS based on those comments, including

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undertaking any additional analysis that may be required, revising the document for clarity, and correcting factual and technical errors. NMFS has allocated three months to the synthesis and review of a presently unknown number of comment letters. NMFS's experience with the comments received on the 2001 draft Programmatic SEIS led the agency to conclude that three months provides minimally adequate time to review and synthesize what NMFS anticipates will be an equal or greater number of comments than were received on the revised draft Programmatic SEIS. To assist NMFS staff in its review and synthesis, and minimize the amount of time necessary, NMFS has provided a web-based comments collection system and other computer aids. Once the comments have been reviewed and synthesized, NMFS has determined that it will take approximately one and a half months (March 2 to April 16, 2004) to prepare responses to all substantive public comments. NMFS will provide the public with a summary of the public comments at the April 2004 Council meeting. NMFS also will issue a newsletter notifying the public of the comment summary, and will post the comment summary on NMFS' webpage.

17. Also during this time period, the Council, after reviewing the summary of public comments, will develop its recommendations on a final preferred alternative to be submitted to NMFS and the Secretary of Commerce. NMFS will solicit from the Council at its June 2004 meeting its recommendation for a final preferred alternative. NMFS will then incorporate the final preferred alternative into the final document. Also, NMFS and NOAA General Counsel have recommended to the Council that it develop a timetable for implementing follow-on actions upon completion of the Programmatic SEIS process. This timetable will be included in NMFS's

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Record of Decision. This step will require some time because all the issues and potential actions are likely to be viewed as important and in most cases controversial. The Council will provide NMFS with its list of priorities and a timetable for follow-on actions at its June 2004 meeting.

18. NMFS has allocated two months (July 19 to September 15, 2004) for the internal review of the draft final Programmatic SEIS and two months (September 16 to November 8, 2004) for the incorporation of all final comments on the draft final Programmatic SEIS. NMFS is sending the Final Programmatic SEIS to the printer on November 9, 2004. NMFS will then transmit the Final Programmatic SEIS on December 15, 2004, to NMFS Headquarters, NOAA, and the EPA for their review. NMFS will file the final Programmatic SEIS with EPA on January 7, 2005, and anticipates that a Notice of Availability for the final Programmatic SEIS will then be filed in the *Federal Register* on or about the same date. The Final Programmatic SEIS will be issued on January 14, 2005, for a 60-day public review, ending on March 16, 2005. NMFS will post the Final Programmatic SEIS on its webpage and distribute a newsletter announcing its release. NMFS will review public comments received on the final Programmatic SEIS and prepare a summary of those comments for use in the Record of Decision. NMFS has allocated one and a half months (March 17 to May 1, 2005) to draft and internally review its Record of Decision. NMFS will issue the Record of Decision on May 2, 2005.

19. NMFS believes the schedule described above is reasonable and allows not only sufficient time for NMFS to prepare a quality NEPA document that will be of great help to agency decision-makers, the Council, and the interested public but also sufficient time for public involvement and the analysis of information gathered by NMFS through such involvement.

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20. Plaintiffs request in their Objection that the Court require NMFS to adhere to the Programmatic SEIS completion schedule set forth in NMFS's November 21, 2001. This request is not reasonable in light of the time and amount of effort that NMFS has determined is required to complete the Programmatic SEIS, as described above. While the total amount of time that NMFS has scheduled for completing the Programmatic SEIS appears to be a significant amount of time, as demonstrated above, no one task has been allocated an unreasonable amount of time for completion and all of the tasks identified above must occur in order to complete the Programmatic SEIS. The schedule set forth in NMFS's November 21, 2001 status report was based on assumptions made prior to the development and refinement of the restructured alternatives. At that time, NMFS thought that the schedule would accommodate the time needed to develop and refine the restructured alternatives and gain public and Council acceptance of the alternatives and accompanying sample FMPs. As explained earlier in this Declaration, the development of the restructured alternatives took much longer than anticipated, with good reason. The November 2001 schedule has been overtaken by subsequent events and is no longer relevant. Moreover, should the Court require NMFS to adhere to the schedule set forth in the November 21, 2001 status report, NMFS would have to curtail the in-depth, qualitative and quantitative analyses of the alternatives and sample FMPs currently being undertaken by NMFS staff, drastically slash the amount of time for reviewing and synthesizing public comments, and severely shorten the public comment periods to the legally required minimum number of days. Also, NMFS believes that any analyses done on the alternatives under an accelerated schedule would necessitate the exclusion of most, if not all, detailed quantitative analyses of both the goals

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and objective sets in the alternatives and the sample FMPs. The resulting final Programmatic SEIS would then, by necessity, be a much more general, qualitative look at the fisheries and the alternatives. Such a result would be contrary to the public comments from the Plaintiffs and other environmental groups voicing their opposition to a wholly qualitative approach to the analysis of the alternatives and asking that NMFS develop detailed, fully implementable FMPs as an integral part of the alternatives. Requiring NMFS to adhere to the remainder of the November 2001 schedule would result not only in a document at odds with many public comments but also in a document that is less useful as a planning tool to the ultimate decision-makers and less educational and informative to the public.

21. In their Objection, Plaintiffs state that the agency has failed to justify why it can continue during the development of the Programmatic SEIS to open the groundfish fisheries annually in violation of NEPA. NMFS continues to prepare appropriate NEPA documentation on all actions proposed to be taken on the BSAI and GOA groundfish fisheries that may affect the quality of the human environment. In fact, since July 1999, NMFS has prepared and issued two EISs on the Alaska groundfish fisheries: one for the implementation of the American Fisheries Act and associated management measures, and the other for the implementation of Steller sea lion protection measures. NMFS is also in the process of developing an EIS for the implementation of Essential Fish Habitat provisions of the Magnuson-Stevens Act for the BSAI and GOA groundfish fisheries.

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Pursuant to 28 U.S.C. section 1746, I swear under penalty of perjury that the foregoing is true and correct.



DR. JAMES W. BALSIGER
Alaska Regional Administrator
National Marine Fisheries Service

11-22-02

DATE

**DECLARATION OF
DR. JAMES W. BALSIGER**

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ATTACHMENT 1

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Honorable Thomas S. Zilly

IN THE UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

GREENPEACE, AMERICAN OCEANS CAMPAIGN,
and SIERRA CLUB,

Plaintiffs,

v.

NATIONAL MARINE FISHERIES SERVICE, and
DONALD L. EVANS, in his official capacity as
Secretary, United States Department of Commerce,

Defendants, and

AT-SEA PROCESSORS ASSOCIATION, et al.;
WESTWARD SEAFOODS, INC., et al.,
UNITED CATCHER BOATS, et al., and
ALEUTIAN EAST BOROUGH, et al.,

Defendant-Intervenors.

Civ. No. C98-0492Z

CERTIFICATE OF SERVICE

I hereby certify that true and accurate copies of DEFENDANTS' RESPONSE TO PLAINTIFFS' OBJECTION TO REVISED SCHEDULE FOR COMPLETION OF FINAL PROGRAMMATIC SUPPLEMENTAL ENVIRONMENTAL IMPACT STATEMENT and DECLARATION OF DR. JAMES W. BALSIGER were served November 22, 2002, by telefax and first-class United States mail, postage pre-paid, on the following counsel of record (unless otherwise noted):

CERTIFICATE OF SERVICE

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North Pacific Fishery Management Council North Pacific Research Board

North Pacific Fishery Management Council
605 W 4th Avenue, Suite 306
Anchorage, AK 99501-2252

David Benton, Chairman
Chris Oliver, Executive Director

North Pacific Research Board
441 W 5th Avenue, Suite 550
Anchorage, AK 99501-2340

David Benton, Chairman
Clarence Pautzke, Executive Director

October 23, 2002

ADM James D. Watkins, Chairman
U.S. Commission on Ocean Policy
1120 20th Street NW, Suite 200 North
Washington, DC 20036

Dear Admiral Watkins:

Thank you for the opportunity to testify before the U.S. Commission on Ocean Policy at the Alaska Regional Meeting, August 21-22, 2002, in Anchorage, Alaska. I am providing a joint response from the North Pacific Fishery Management Council and the North Pacific Research Board to your September 30, 2002, request for additional information on specific topics of interest that arose during the presentations of the Arctic Issues and Historical Perspective panels. The attached response covers the following topics:

1. North Pacific Fishery Management Council Ecosystem-based Management
 - a. Overview and evaluation of current approach
 - b. Next steps in fishery ecosystem planning including development of indicators
 - c. Recommendations for national implementation of an ecosystem-based approach
2. North Pacific Research Board Activities
 - a. Funding, mission, and membership
 - b. Credible scientific advice
 - c. Research priorities
3. Addressing Overcapitalization in Fisheries off Alaska

We hope this information proves useful to the Commission in your review of ocean policy. We believe our combination of conservative, ecosystem-based fisheries management, founded on an ever increasing understanding of the ecosystem and its dynamics, will provide for sustainable management of the abundant resources of the North Pacific. Please do not hesitate to contact me should you need additional information.

Sincerely,



David Benton, Chairman
North Pacific Fishery Management Council
North Pacific Research Board

Attachments

1. North Pacific Fishery Management Council Ecosystem-Based Management

a. Overview and evaluation of current approach

A basic premise of the management approach in the North Pacific is a recognition that fishing influences the marine ecosystem. Fishing directly affects populations of fish and other ecosystem components by the timing and method of fish removals, as well as by vessel disturbance, changes in nutrient cycling, introduction of exotic species, pollution, unobserved mortality, and habitat alteration. The North Pacific Council's ecosystem-based management strategy is to minimize potential impacts on the ecosystem, while at the same time allowing the extraction of fish resources at levels sustainable for both the fish stock and other components of the ecosystem. The foundation of that ecosystem oriented approach is reflected in a reliance on the science which drives our fundamental exploitation strategies.

Strict catch quotas are set annually, based on the following sequence: (1) total biomass and acceptable biological catch levels (ABCs) are projected by stock assessment scientists from the Alaska Fisheries Science Center - these projections are based on extensive, annual stock surveys, and include natural mortality estimates for each species; (2) the Council's Groundfish Plan Teams, comprised of stock assessment and management experts, then review each stock assessment and provide their recommendations to the Council's Scientific and Statistical Committee (SSC), also comprised of stock assessment and population dynamics experts; (3) the SSC carefully reviews each stock assessment, and the recommendations from the Plan Teams, before making its recommendations to the Council on biomass, ABCs, and overfishing levels for each species; and, (4) the Council sets a total allowable catch (TAC) for each species, which is never above, and often well below, the ABC recommendations from the scientists.

The quota setting process contains an additional ecosystem oriented constraint, in the form of an optimum yield (OY) cap which is specified in the fishery management plans. For example, overall ABCs for the Bering Sea in 2002 were about 3.3 million mt; however, the total TAC for all species combined was constrained to 2 million mt, or a 40% decrease from what was determined to be biologically acceptable. Notwithstanding this conservative approach to basic fisheries exploitation, the North Pacific Council recently commissioned an independent review of basic harvest (exploitation) strategies by a panel of eight internationally recognized scientists. The purpose of this review is to evaluate our harvest strategies in the context of single species application, *and* in the context of overall ecosystem application. Results of that independent review are expected later this year. The North Pacific Council often conducts 'self-evaluations' relative to its management approach - other examples include a blue-ribbon panel commissioned in 2001 to evaluate Steller sea lion protection measures enacted by the Council, and an on-going review by the National Academy of Sciences of all available information relative to the Council's management measures to protect Steller sea lions.

Additional examples of incorporating ecosystem considerations are summarized below, in the context of the National Research Council's (NRC) recommendations. The NRC (an agency of the National Academy of Sciences) has recommended an ecosystem-based management approach for sustaining marine fisheries. The National Research Council defines an ecosystem-based approach as having the following elements:

1. Conservative harvest levels for single species fisheries
2. Ecosystem considerations incorporated into fishery management decisions
3. A precautionary approach to deal with uncertainty
4. Reduced excess fishing capacity and defined and assigned fishing rights
5. Marine protected areas as a buffer for uncertainty
6. Inclusion of bycatch mortality in catch accounting
7. Institutions to achieve goals
8. Research on structure and function of marine ecosystems

The fishery management approach taken in the North Pacific essentially mirrors the ecosystem-based management approach recommended by the National Research Council. A brief review of the North Pacific management system is provided below.

Conservative Catch Limits: In the North Pacific groundfish, crab, and scallop fisheries, the annual catch of each species is limited by total allowable catch levels. These catch limits are established using conservative harvest rates. All fish caught in any fishery (including bycatch), whether landed or discarded, are counted towards the annual catch limit. A comprehensive catch monitoring system including on-board fishery observers allows catches to stay within the specified limits. Fisheries are stopped for the remainder of the year when catch limits are approached.

Ecosystem Considerations: Many of the fishery management measures have been directly implemented to reduce the effects of fishing on ecosystem components. Examples include extensive time and area closures to reduce potential interactions with Steller sea lions and Pacific walrus, regulations for longline fisheries to reduce the incidental capture of seabirds, and a prohibition on fishing for forage species.

Precautionary Approach: There are many instances where the North Pacific Council has taken a more precautionary approach to address uncertainty. For example, the annual catch specifications are based on a system of tiers, so more conservative catch rates are established for stocks whose population dynamics is not fully understood. Total allowable catch limits are always set equal to or below levels determined to be biologically sustainable. Additionally, the total annual catch of the entire groundfish complex is constrained by an optimum yield limit in the FMPs; for example, total Allowable Biological Catch (ABC) limits in the Bering Sea in 2002 totaled over 3 million mt, yet the OY cap limited total catch to 2 million mt.

Fishing Capacity and Rights: All groundfish, crab, and scallop fisheries are managed under limited entry programs, which limit the number of active licenses, and restrict each vessel to specific area and gear endorsements. Halibut and sablefish fisheries are managed under a sophisticated Individual Fishing Quota (IFQ) program. The nation's largest volume fishery, the Bering Sea pollock fishery, is managed under a system of fishery cooperatives authorized under the American Fisheries Act. The Council recently adopted a rights-based system for Bering Sea and Aleutian Islands crab fisheries, that included IFQ for harvesters, quota shares for captains and crew, individual processor quotas, and measures to protect fishery dependent communities. Please see the separate discussion within this letter detailing how we address overcapitalization issues.

Marine Protected Areas: Large marine protected areas have been established in the North Pacific to protect habitat and maintain biodiversity. Over 90,000 square nautical miles of the EEZ have been closed to bottom trawling year-round. These areas equate to about 20% of the continental shelf area where trawling used to occur. Many more areas are closed on a seasonal basis, or are closed when a bycatch limit is reached. The Council is currently considering additional closure areas to reduce the effects of fishing on essential fish habitat, particularly in areas with benthic biota such as corals and sponges.

Reducing Bycatch and Accounting for Bycatch Mortality: Because the North Pacific boasts a comprehensive on-board observer program, bycatch is well monitored and is counted towards the total allowable catch limits for each species. In addition, many measures have been successfully implemented to reduce bycatch, especially of those species important in other fisheries (i.e., crab, salmon, herring, and halibut). Such measures include strict bycatch limits that, when reached, close the target fishery. Other measures include extensive area closures, gear limitations, or seasonal closures which move fisheries out of areas of high bycatch at critical times of the year.

Institutions: Decision making is deliberative, transparent, and incorporates diverse views from all user groups and the general public. Committees are formed to advise the Council on a variety of issues. One of these committees, the Ecosystem Committee, provides an educational forum for discussion of ecosystem-based management. In addition, an ecosystem chapter is prepared annually to supplement the groundfish Stock Assessment and Fishery Evaluation Reports. The ecosystem chapter provides an update on status and trends of ecosystem components and oceanographic changes to the ecosystem, as well as indicators of overall ecosystem conditions. This information is utilized by the Groundfish Plan Teams and the Council's SSC in the annual quota-setting process.

Research on Marine Ecosystems: A comprehensive ecosystem-based fisheries management approach would require managers to consider all interactions that a target fish stock has with predators, competitors, and prey species; the effects of weather and climate on fisheries biology and ecology; the complex interactions between fishes and their habitat; and the effects of fishing on fish stocks and their habitat. Although all of the information needed for full implementation of Fishery Ecosystem Plans is not currently available, these topics are priority areas of research for NOAA, NMFS, the University of Alaska, the North Pacific Research Board, and other institutions.

In summary, the existing program has the basic elements necessary for an ecosystem-based approach to managing fisheries. Because this firm foundation already exists, the North Pacific Council is in a good position to make additional advancements towards even more explicit incorporation of ecosystem considerations in its management program. We are currently in the process of developing an Environmental Impact Statement (EIS) to identify and protect essential fish habitat, as well as a Programmatic EIS for our overall fishery management plans which will evaluate a broad range of basic management approaches (including assessment of habitat, fisheries, marine mammals, community protections, and a host of other factors), and result in adoption of an overarching, long range policy framework for the future.

b. Next steps in fishery ecosystem planning including development of indicators

In 1999, the National Marine Fisheries Service Ecosystem Principles Advisory Panel released a report on application of ecosystem principles for fishery conservation and management. The panel developed a list of basic ecosystem principles and policies, and recommended that Fisheries Ecosystem Plans be developed as a first step toward a full ecosystem approach. The objectives of a Fishery Ecosystem Plan would be to provide the fishery management Councils and public with a description and understanding of the fundamental physical, biological, and human/institutional context of ecosystems, and direction on how this information can be used to set policies for ecosystem-based management options. Components of such a plan include food web models, habitat needs, estimates of total removals, an assessment of uncertainty and buffers, indices of ecosystem health and use, long-term monitoring plans, and an assessment of other elements.

Of particular importance are ecosystems indicators such as trends in oceanography (temperature, circulation, sea level pressure, etc.), habitat (trawl effort, bycatch of epifauna, etc.), catch of fish (target species, forage fish, and non-target species), marine mammal abundance, seabird production, and aggregate indicators (regime shifts, trophic level of catch). The ecosystems indicators section of the Stock Assessment and Fishery Evaluation documents for the groundfish fisheries have evolved since their introduction into the document in the mid-1990's. Earlier sections amounted to anecdotal articles on a variety of subjects from consumption of offal by various fish species to climatic changes and regime shifts. Over time the chapter has become much more organized and now systematically identifies 6-10 indicators for such broad topics as physical oceanography, habitat, target groundfish, forage fish, other species, marine mammals, seabirds, and aggregate indicators. As these indicators are further refined, they eventually will provide the basis for assessing the "health" of the ecosystem and what it means to the long term sustainability of fish populations. The North Pacific Council is in the early stages of assessing such indicators and their relationship to the fisheries.

While the concept of a Fishery Ecosystem Plan has obvious merit, it is critical to recognize that (1) the available science in any region of the U.S. may not yet allow for development of meaningful, explicit ecosystem plans, and could actually be counter-productive by establishing unrealistic requirements based on poor science, which could expose the process to additional litigation; and (2) the tools necessary to appropriately incorporate ecosystem considerations already exist, and many of the management measures in place in the North Pacific do so, either implicitly or explicitly, even if they are not always labeled as 'ecosystem measures'. The annual ecosystem considerations chapter to the Stock Assessment and Fishery Evaluation Report, together with updated information in the draft programmatic groundfish environmental impact statement, already assembles most of the information required. Fishery Management Plans (FMPs) already incorporate this information and therefore move towards a more ecosystem-based approach to fisheries management. If guidelines are established to provide the Councils with further guidance about what is expected in either an explicit ecosystem approach to management in existing FMPs, or in new Fishery Ecosystem Plans, the North Pacific Council already has a strong foundation to meet these new requirements. However, it is essential to keep in mind the role of science in this endeavor. In the North Pacific, the existence of the North Pacific Research Board and its emphasis on fishery management information improve the outlook for sustained, long term research that will help to better characterize the ecosystems indicators and their relationship to the fisheries.

c. Recommendations for national implementation of an ecosystem-based approach

In addition to simply requiring each Council to use the tools already available, starting with basic institutional arrangements and scientifically established catch limits, we recommend the following practical steps be taken to implement a national ecosystem-based approach to fishery management prior to requiring explicit Fishery Ecosystem Plans. Steps 1, 2 and 3 can be taken immediately and steps 4, 5, and 6 could be taken in the next year or so. Step 7 will likely take additional time to complete, and step 8 would be ongoing.

1. First, get the basic foundation in place. Ensure that NMFS and each Council have the basic scientific programs (including robust stock assessment programs), institutional arrangements (such as Plan Teams composed of scientists and managers) including an active and broad based SSC, and reliable and transparent decision making processes in place.
2. Require each fishery management Council to report to Congress on how they are meeting the National Research Council's eight recommendations to achieve sustainable fisheries using an ecosystem-based approach. This serves as a self evaluation for Councils to determine where changes should be made in the short term.
3. Require each Council to establish an Ecosystem Committee to provide a forum for information exchange on ecosystem research and ecosystem-based management.
4. Require NMFS to prepare an annual "status of the ecosystem" report for each region, similar to the requirement for stock assessment and fishery evaluation reports. This "status of the ecosystem" report should contain ecosystem indicators (socio-economic, environmental, ecological, and fishery indicators).
5. Require each Council and the respective NMFS regional office to develop technical guidelines for incorporating ecosystem considerations in Council fishery management plans, which include clear goals and objectives.
6. Require each Council to delineate its ecosystem approach (once the guidelines have been adopted) to serve as a foundation for all fishery management plans in the region.
7. Require NMFS to identify the research priorities needed for full implementation of an ecosystem approach, and for an explicit ecosystem plan.
8. Fund research identified in the previous step, and modify the ecosystem approach (and/or fishery management plans) as new information becomes available.

2. North Pacific Research Board Activities

a. Funding, mission, and membership

Funding. The North Pacific Research Board (NPRB) was created by Congress under Title IV of H.R. 2107, signed into law on November 14, 1997 as P.L. 105-83, and codified as 43 U.S.C. §1474d. NPRB is authorized to recommend marine research to the U.S. Secretary of Commerce (Secretary), who makes final funding decisions. Research is funded by part of the interest earned by the Environmental Improvement and Restoration Fund (EIRF) created under 43 U.S.C. §1474d. Each year, 20 percent of the interest earned and transferred to the EIRF is made available to the Secretary without further appropriation to carry out marine research activities. The enabling legislation calls for EIRF funds to be used to "...conduct research activities on or relating to the fisheries or marine ecosystems in the north Pacific Ocean, Bering Sea, and Arctic Ocean (including any lesser related bodies of water)... [with]...priority on cooperative research efforts designed to address pressing fishery management or marine ecosystem information needs."

Mission. The mission of NPRB is to develop a comprehensive science program of the highest caliber to enhance understanding of the North Pacific, Bering Sea, and Arctic Ocean ecosystems and fisheries. It will conduct its work through science planning, prioritization of pressing fishery management and ecosystem information needs, coordination and cooperation among research programs, competitive selection of research projects, increased information availability, and public involvement, and will seek to avoid duplicating other research. NPRB establishes written criteria for the submission of grant requests through a competitive process and for deciding upon the award of grants. Grants are recommended on the basis of merit in accordance with NPRB research priorities.

NPRB also administers the North Pacific Marine Research Institute (NPMRI) at the Alaska SeaLife Center, pursuant to 33 U.S.C. §2738. The NPMRI's enabling legislation requires research to be related to "...the North Pacific marine ecosystem, with particular emphasis on marine mammal, seabird, fish, and shellfish populations in the Bering Sea and Gulf of Alaska including populations located in or near Kenai Fjords National Park and the Alaska Maritime National Wildlife Refuge."

Membership The statutory composition of the Board and its current members are as follows:

- Secretary of Commerce - Designee: James Balsiger, National Marine Fisheries Service, Juneau
- Secretary of State - Designee: Stetson Tinkham, U.S. Dept. of State, Washington, DC
- Secretary of Interior - Designee: William Seitz, U.S. Geological Survey, Anchorage
- Commandant of the Coast Guard - Designee: CAPT Rich Preston, USCG, Juneau
- Director, Office of Naval Research - Designee: Steve Ramberg, ONR, Washington, DC
- Commissioner, Alaska Department of Fish and Game - Frank Rue, Juneau
- Chairman, North Pacific Fishery Management Council - David Benton, NPRB Chairman, Juneau
- Chairman, U.S. Arctic Research Commission - Designee: Garry Brass, Arctic Research Commission
- Director, Oil Spill Recovery Institute - Designee: Walter Parker, Anchorage
- Director, Alaska SeaLife Center - Tylan Schrock, NPRB Vice Chair, Seward

- Five members nominated by Governor of Alaska and appointed by the Secretary of Commerce for the following areas of interest:

Fishing interests	Jev Shelton, fisherman, Juneau
Alaska Natives	Robin Samuelsen, Bristol Bay Native Assoc., Dillingham
Environmental interests	John White, Dentist, Bethel
Academia	Phil Mundy, Gulf Ecosystems Monitoring Program, Anchorage
Oil and gas interests	Pamela Pope, BP Exploration Alaska

- Three members nominated by the Governor of Washington and appointed by the Secretary of Commerce:
 - John Gauvin, Groundfish Forum, Seattle
 - John Roos, fishery scientist emeritus, Seattle (Now in Virginia)
 - Jack Tagart, Washington Department of Fish and Wildlife, Olympia
- One member nominated by the Governor of Oregon and appointed by the Secretary of Commerce:
 - Howard Horton, Oregon State University, Corvallis
- One member who shall represent fishing interests and shall be nominated by the Board and appointed by the Secretary of Commerce:
 - Trevor McCabe, At-Sea Processors Association, Anchorage

The members of the Board must be individuals knowledgeable by education, training, or experience regarding fisheries or marine ecosystems in the North Pacific Ocean, Bering Sea, or Arctic Ocean. Members appointed on the basis of state governor nominations serve three-year terms and may be reappointed.

b. Credible scientific advice

The mission of the North Pacific Research Board is to fund research to provide credible scientific advice to a variety of resource managers, user groups and the public. To accomplish this mission the Board is in the process of developing a long term science plan and the institutional arrangements necessary for a durable and credible long term research effort. Credible scientific advice will be ensured in four ways:

- The Board has enlisted the help of the National Research Council in the development of a comprehensive science plan,
- A blue-ribbon science panel will ensure high quality science planning and research,
- All proposals for research will receive independent technical reviews from peer scientists,
- Publication in peer reviewed scientific literature.

National Research Council Science Plan. The Board approved funding in early June 2002 for the National Research Council (NRC) to help it develop a high quality, comprehensive, long range science plan for the North Pacific, Bering Sea, and Arctic Ocean region. This NRC initiative will be completed over the next two years and will include site visits to several rural Alaska communities to gather ideas on research. NRC will appoint a study committee that will assist the Board in developing a science plan that:

- Is comprehensive and long range (10-20 years),
- Identifies major research themes, with emphasis on marine resource management issues,
- Is flexible, dynamic, and able to adapt to new research and monitoring findings,
- Is responsive to the vision, mission and goals of the Board and addresses the elements of a science plan identified as important by the Board,
- Builds on past and ongoing research programs of the Federal government, the State of Alaska, universities, and other relevant entities,
- Has a high probability of achieving the goals and objectives of the Board and maintaining awareness of the need to sustain a variety of marine resources, and
- Is consistent with Board enabling legislation.

In addition, the committee will consider questions such as the appropriate balance between process studies and time-series studies, the role of modeling, the availability and usefulness of proxy and historical data, coordination with other activities (including international activities), and any other issues related to assuring the program has a strong strategic vision and sound management and oversight. To guide the Board in developing its science plan, the committee will:

- Identify broad research themes in the North Pacific, Bering Sea, and Arctic Ocean region, through discussions and a workshop,
- Conduct a series of site visits in Alaska to gather further input on the research themes,
- Provide supporting information and recommendations for achieving the desired attributes of the plan,
- Prepare an interim report that outlines the components of a successful long-term science plan and provides guidance to the Board as it develops its plan, drawing on insights gained from past reviews of similar science plans to help the Board avoid known difficulties and pitfalls, and
- Subsequently review the science plan drafted by the Board in light of the identified research themes and overall guidance provided in the interim report, making any necessary suggestions for improvement.

Science Panel. The Board is in the process of establishing a 6-10 member science panel to help it shape a comprehensive research program, review specific research proposals, and provide other scientific advice. The panel's membership will be drawn from experts in fields of science most relevant to the Board's interests, such as oceanography, ecosystems dynamics, fish ecology, marine mammal and seabird biology, fisheries management, and socioeconomics. The Board will have access to all areas of knowledge necessary to the development of its research program through the combination of the expertise of the panel and its supporting peer review process. The science panel will have the following duties:

- Advise the Board on science planning and identification of research priorities,
- Help develop a science plan that includes a conceptual foundation, central hypotheses and questions for research,
- Advise the Board in identification, development, collection, and evaluation of statistical, biological, oceanographic, ecological, economic, social and other scientific information relevant to the Board's mission,
- Review proposals and technical evaluations received by the Board,
- Review reports and advise the Board on how to ensure the quality of reports and other products generated by funded research,
- Provide annual reviews of funded research to ensure stated goals and milestones of the research are on schedule, and
- Provide other scientific advice as requested by the Board.

Members of the science panel will be appointed for staggered three-year terms. The call for nominations for membership went out in early October and the Board will review nomination packages on October 30-31, 2002. The Board also will convene smaller working groups on an ad hoc basis to advise the science panel and Board on specific areas of research and science planning.

Technical Peer Review of Proposals. The Board will ensure that all proposals are subjected to up to three technical peer reviews. A scoring system has been established and incorporated in the request for proposals that is released each year. The technical scores and comments on each proposal are furnished to the science panel and the Board, but remain confidential to others. After the Board makes its final decisions on accepting or rejecting proposals, unsuccessful applicants may request copies of technical reviews of their proposal, and these are scrubbed of names of the technical reviewer.

Peer Reviewed Literature. All principal investigators are strongly encouraged in their contracts with NPRB to submit their results to a scientific, peer-reviewed journal within one-year of completion of NPRB-funded projects. The Board will track this issue closely to ensure high quality science is accomplished with Board resources. Scientists who do not publish over time will be discouraged from applying for support from NPRB.

c. Research priorities

The North Pacific Ocean and waters off Alaska are among the most productive marine regions in the world and support abundant populations of fish, seabirds, and marine mammals. The fisheries provide over 40% of the U.S. fisheries harvest. Components of the marine ecosystem and their environment vary over time, and improving the understanding of their dynamics will enhance resource managers' ability to protect the healthy, sustainable fish and wildlife populations that comprise these ecologically diverse marine ecosystems.

NPRB's enabling legislation calls for EIRF funds to be used for the purpose of carrying out marine research activities on or relating to the fisheries or marine ecosystems in the North Pacific Ocean, Bering Sea, and Arctic Ocean (including any lesser related bodies of water), with priority on cooperative research efforts designed to address pressing fishery management or marine ecosystem information needs.

Through its science planning process, the Board is developing a set of research priorities. These priorities will draw from the NPRB authorizing legislation, the results of other research planning efforts, stakeholder input, and management needs as identified by such regulatory bodies as the North Pacific Fishery Management Council and the Alaska Board of Fisheries. The NPRB also recognizes that research priorities will of necessity change and evolve over time. As such, the NPRB is developing mechanisms for periodic re-evaluation of research plans and priorities to ensure the best, most relevant science possible.

Research Priorities. Based on earlier research plans for the North Pacific Ocean, Bering Sea, Aleutians and associated waters, and on statutory criteria, the Board has identified the following seven broad categories of research priorities for its current request for proposals (no priority is implied among the categories):

Marine Ecosystem structure and processes

1. Factors affecting marine productivity, including nutrient transport and availability, water column stability and the role of sea ice,
2. Influence of climate variability on physical, chemical, and biological processes; unusual occurrences of specific organisms such as the coccolithophorid blooms,
3. Development of ecosystems models that will aid resource managers,
4. Origins and impacts of invasive species,
5. Long term monitoring of biophysical parameters and phytoplankton and zooplankton.

Endangered and stressed species

1. Factors, including fisheries, affecting survival of stressed and endangered species, particularly marine mammals, seabirds, and seaducks,
2. Responses to ocean climate trends and prey availability.

Fish habitat

1. Habitat mapping and substrate classification, including documentation of the presence of corals or other sensitive substrates, studies of factors affecting habitat including physical forcing, variations in energy flux, and overwintering conditions,
2. Impacts of fisheries and other human influence on benthic habitat and its capacity to support communities of organisms, including adaptive management research,
3. Fishery management tools to facilitate fish habitat protection.

Fishery management and economics

1. Economic implications of fishery management approaches, including rights-based system and fishing capacity reductions.

Bycatch

1. Studies that assess the impacts of, or lead to reductions in, bycatch, especially in the groundfish fisheries, and including gear designs to improve selectivity,
2. Stock composition research on bycatch species, including salmon, in GOA and BSAI groundfish fisheries,
3. Improve methods of estimating bycatch mortality, including unobserved mortality.

Stock assessment and recruitment processes

1. Studies of factors affecting salmon stock dynamics, mortality and migration throughout their range and life cycle, particularly for Western Alaska salmon stocks,
2. Improve genetic identification of salmon stocks,
3. Studies to develop or improve fish stock assessment techniques, including estimates of all sources of fishing mortality, and quantifying estimates of natural mortality,
4. Research on interdependence of fisheries or stocks of fish.

Contaminants

1. Studies of sources, transport, and accumulation of contaminants in subsistence, recreational, and commercial species, and other ecosystem components,
2. Effects on ecosystem structure and function,
3. Effects of climate change on contaminants,
4. Studies of pollution from oil spills, increased run-off as a result of logging and other coastal development, and development of predictive models.

As a final point, it is important to note that the NPRB is not operating in a vacuum, and that there are numerous other marine science programs and initiatives in operation in the North Pacific. Many of these organizations and programs are represented on the NPRB. This has the obvious advantage of providing the opportunity for the NPRB to work in close consultation and coordination with these other programs and initiatives. To further this goal, NPRB periodically will meet jointly with the boards of the *Exxon Valdez* Oil Spill Trustee Council and its associated Gulf Ecosystem Monitoring program, and the Northern Fund established by the Pacific Salmon Agreement with Canada. Each of these programs has funding for research initiatives off Alaska. Working together, the NPRB will strive to develop and implement a comprehensive, high quality science and research program that contributes the information necessary for sustainable management of the fisheries resources while protecting the ecosystem.

3. Addressing Overcapitalization in Fisheries off Alaska

Overcapacity can have significant implications for resource conservation, or it can be primarily an issue of economic and management efficiency. With firm catch quotas established for each fish stock in the North Pacific, overcapitalization is less of an issue relative to resource conservation, but is nevertheless a critical issue for many other reasons, including economic efficiency, orderly management, and safety at sea. Given the sound scientific basis for the TAC setting process in the North Pacific, this Council has been able to devote a significant amount of its time and resources to issues involving allocation of fisheries resources and reductions in capacity. Management measures addressing overcapitalization have been an integral part of our fishery management plans since the mid 1980s, when we began development of management measures to end the derby situation in the halibut and sablefish (black cod) longline fisheries. Seasons had shrunk from several months down to a few weeks in the sablefish fisheries, and down to 24 hour derbies in the Gulf of Alaska halibut fishery with up to 3,000 vessels participating, many of those very small vessels operating in often very dangerous conditions.

After extensive analysis, public hearings, and dozens of Council meetings over a three-year period, an Individual Fishing Quota (IFQ) program was approved by the Council in 1991. The program was implemented in 1995, and fishermen now enjoy a nearly year-round fishery where they can time their fishing effort to market consideration and to avoid adverse weather conditions. The number of vessels participating has been reduced dramatically, as has the number of vessel sinkings and fatalities in these fisheries.

With regard to other groundfish and crab fisheries off Alaska, the Council approved a vessel moratorium in 1992 (allowing no further vessels to enter these fisheries in federal waters), followed by a more restrictive license limitation program approved in 1995. The license limitation program restricted the number of eligible vessels to those meeting historical and recent participation requirements, and included endorsements by gear type and sub-management areas. Further restrictions subsequently have been approved and implemented, including species endorsements for the Bering Sea Pacific cod fisheries, which further limit the number of vessels allowed to participate in those fisheries, and include additional gear and area restrictions.

One of the most dramatic examples of addressing overcapitalization occurred in 1998, with the passage of the American Fisheries Act, which specifically addressed the Bering Sea pollock fisheries. Implemented by the Council and NMFS in 1999, the provisions of that Act included specification of the vessels and processors eligible to participate in the pollock fisheries, and allowed for the formation of fishery cooperatives. As a result, the catcher/processor (factory trawl) fleet has consolidated from 25 vessels down to 14, and catcher vessel participation (delivering primarily to onshore processors) is down from 115 to about 80 vessels. Allocations are made to nine separate cooperatives, with vessels operating essentially as they would under an IFQ program. Product recovery rates (pound of product per pound of raw fish caught) have increased significantly, and bycatch of non-target species (already among the lowest in the world in this fishery) has been reduced to the point that these fisheries catch about 99% pollock in an average tow.

The most recent example of Council action to address overcapacity is in the Bering Sea crab fisheries. After several years of development and debate, the Council approved, in June of this year, a rationalization program for these fisheries, which consists of IFQs for harvesters, individual processor quotas (or IPQs) for processors, quota allocations to skippers and provisions for crew member participation, and community protection (or regionalization) requirements to maintain coastal community interests in these fisheries. Pending Congressional authorization, and approval by the Secretary of Commerce, this program could be in place as early as 2004, thus ending the race for fish in what is regarded as the single most dangerous fishery in the world.

The Council is also in the process of developing further rationalization programs for the remaining groundfish fisheries, with particular focus on the Gulf of Alaska. Current measures in place to protect Steller sea lions, including vast time and area closures, compel an added urgency to provide fishermen the flexibility required to adhere to these protection measures, and still be economically viable. All of the capacity-related programs developed by the Council include provisions to protect and ensure continued viability of coastal communities in these fisheries. Explicit programs in this regard have also been implemented by the Council, either separately or in conjunction with overcapitalization projects. Examples include: the Community Development Quota (CDQ) program, which allocates up to 10% of each Bering Sea crab and groundfish species to 65 remote communities on the Bering Sea coastline, and a recent amendment to our halibut/sablefish IFQ program which allows coastal communities in the Gulf of Alaska to purchase quota shares.

With regard to overcapitalization in other regions, we continue to believe that the regional Council system, and its inherent flexibility to tailor specific programs to regional needs and issues, provide the mechanisms to address overcapacity issues at regional and national levels. We believe that in the North Pacific we employ a 'systemic approach' to fisheries management, which considers all aspects of the system, including the participants in the fisheries. Addressing overcapitalization should be an integral part of any management system. However, it is important to stress that measures to reduce overcapacity are not a suitable means to address basic conservation goals, such as limiting overall catch. Addressing overcapitalization can only be accomplished successfully as an overlay to a basic system of overall catch limitation.

North Pacific Fishery Management Council

David Benton, Chairman
Chris Oliver, Executive Director



605 W 4th Ste 306
Anchorage, AK 99501-2252

Telephone: (907) 271-2809

Fax: (907) 271-2817

Visit our website: www.fakr.noaa.gov/npfmc

October 15, 2002

Dr. William Hogarth
Acting Asst. Administrator for Fisheries
NOAA Fisheries
1315 East West Highway
Silver Spring, MD 20910

Dear Dr. ~~Hogarth~~ ^{Bill}:

At its October 2002 meeting, the North Pacific Council discussed issues related to development of MSSTs for our groundfish stocks, definitions of 'overfished' and 'overfishing', and how groundfish species would be addressed in the upcoming *Annual Report to Congress*. We were informed that a discussion of these issues is scheduled by the NMFS Leadership Council for its December 2002 meeting. The Council is very concerned that NMFS has recently considered reclassifying the status of numerous BSAI and GOA groundfish stocks from "not overfished" to "undefined" in the *Annual Report to Congress*. This reclassification would occur if NMFS used the strict definitions in the BSAI and GOA groundfish FMPs, and not the entire specifications process as employed in the Council's BSAI and GOA Groundfish Stock Assessment and Evaluation (SAFE) Reports.

The Council has been informed that the basis for the contemplated reclassification is that the BSAI and GOA Groundfish FMPs do not specify a minimum stock size threshold (MSST), notwithstanding that all principal groundfish stocks are evaluated annually with respect to their MSST in the SAFE Reports, nor the fact that these evaluations were sufficient to result in a classification of "not overfished" in all previous editions of the *Annual Report to Congress*. If the status of these stocks is reclassified as "undefined," the Council feels that this year's report will mislead the public (and Congress) as to the available scientific knowledge regarding the status of these stocks. Efforts to resolve differences between the Council and NMFS in relation to MSST and overfishing have stalled over the last two years, due to a number of factors. The Council sent previous letters to NMFS requesting clarification of the criteria to be followed and the amount of permissible latitude that the Council may be allowed in defining overfishing and overfished, and how these designations would be depicted in the *Annual Report to Congress*.

I understand that the latest position of the agency is to use the entire specifications process, and the information included in the SAFE documents, which would maintain the 'not overfished' classification for these species. We believe this is a very positive development. I hope that the discussion of this issue by the Leadership Council will lead to a resolution regarding the need to rely on FMP-specified MSSTs in determining when a stock is overfished, and to a more accurate depiction of the status of stocks managed

by the North Pacific Council in the annual report. I look forward to additional discussions between our respective staffs to address the issues related to these definitions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Chris Oliver".

Chris Oliver
Executive Director

cc: Jim Balsiger
Richard Marasco

WAYNE T. GILCHREST

1st District, Maryland

COMMITTEE ON TRANSPORTATION
AND INFRASTRUCTURE

COAST GUARD AND
MARITIME TRANSPORTATION
WATER RESOURCES



COMMITTEE ON RESOURCES
CHAIRMAN, FISHERIES CONSERVATION,
WILDLIFE AND OCEANS
NATIONAL PARKS, RECREATION
AND PUBLIC LANDS

CHAIRMAN, CHESAPEAKE BAY
WATERSHED TASK FORCE

Congress of the United States
House of Representatives

November 21, 2002

AGENDA B-1
DECEMBER 2002
SUPPLEMENTAL

Dr. William T. Hogarth
Assistant Administrator
National Marine Fisheries Service
1315 East-West Hwy
Room 14564
Silver Spring, MD 20910-3282

RECEIVED

NOV 27 2002

N.P.F.M.C.

Dear Dr. Hogarth:

With the 107th Congress drawing to a close, I am writing with regard to my intent to pursue reauthorization of the Magnuson Stevens Fishery Conservation and Management Act during the next Congress.

Because the 107th Congress did not reauthorize the Magnuson Act, I intend to move quickly in the 108th and build on the public dialog the House Resources Committee established over the past two years. Accordingly, I expect to introduce legislation early in the 108th Congress similar to HR 4749 as reported from the Resources Committee this fall.

There has been a great deal of discussion and debate regarding the future of individual fishing quotas (IFQs) as a management tool. As you know, HR 4749 included provisions for national standards for IFQs. In light of the recently lapsed IFQ moratorium, I look forward to working with the National Marine Fisheries Service to develop national standards early in the next Congress.

Thank you for your work in support of the nation's marine resources.

Sincerely,

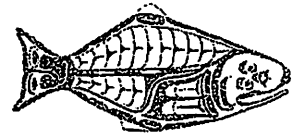
Wayne T. Gilchrest
Wayne T. Gilchrest
Member of Congress

WTG/sem

cc: The Honorable Donald Evans
The Honorable Don Young
The Honorable Nick Rahall
The Honorable John McCain
The Honorable Fritz Hollings
Regional Fishery Management Council Chairs

INTERNATIONAL PACIFIC HALIBUT COMMISSION

News Release



December 3, 2002

P.O. BOX 95009, SEATTLE, WASHINGTON 98145-2009

IPHC Commission Staff Releases Preliminary 2003 Commercial Catch Limit Recommendations Totaling 74.92 Million Pounds

The International Pacific Halibut Commission (IPHC) and its Staff have reviewed results of the 2002 halibut stock assessment analysis. The resulting Staff recommendations totaling 74.92 million pounds are the same as the catch limits approved by the Commission for the 2002 fishing year. The table on the following page presents the 2002 catch limits and the Staff recommended 2003 catch limits for each regulatory area.

Commercial fishery catch rates in 2002 improved over those of 2001 in Areas 2C and 3A, and were slightly lower in Area 2B. Those in Areas 3B and 4 continued their decline of recent years. While the commercial CPUE in Area 2A rose substantially, the 10-hour derby fishery nature of the commercial harvest and the mixed gear in this area renders CPUE of very limited value as an index of stock abundance. Changes to the IPHC setline survey CPUE in 2002, over values for 2001, were similar to those for commercial CPUE in all areas except Area 2A. In Area 2A, the survey CPUE declined slightly compared with the large increase in commercial CPUE.

The analytic assessment model results for Areas 2B-3A indicate potentially higher biomass in Areas 2C and 3A and slightly lower biomass in Area 2B. However, the progressive application of different ageing methodology (surface vs. break-burn) over the last five years has created a mixture of two different age estimates in the data series. While the Staff has developed a procedure to combine these two types of age estimates for this year's assessment, we believe this procedure should be improved and may include additional ages obtained by re-ageing previous parts of the data series. This work will be completed over the next year. The second major factor in the change in estimated biomass in these areas is a decrease in survey selectivity/catchability of the oldest fish, that is associated with decreased growth rate of adults. Both this factor and the ageing changes result in a greater estimate of the number of older fish relative to previous assessments.

The preliminary results of the Staff's investigations into an improved harvest strategy suggest that a conditional constant catch policy will provide greater stability with minimal sacrifice in long-term yield. This policy utilizes caps on harvest rate and total catch, as well as threshold and limit reference points on the biomass, at which the harvest rate would be reduced to protect the stock from ever reaching the lowest observed historical biomass. The Staff is examining several candidate harvest rates and catch limits to determine appropriate recommendations. In addition, the significant decline in growth rate of fish in Area 3A since the mid-1980s may also have generated a change in the sex ratio of the catch because of the relationship of size and selectivity by the fishery. If this is the case, this understanding will need to be incorporated into both the assessment and the investigation of the harvest policy. This work will also be completed over the next year.

The analytic stock assessment has been conducted using several different assumptions concerning selectivity and age composition. The most conservative assumptions indicate greater estimated biomass in Areas 2C and 3A than last year's assessment and little change in the Area 2B biomass. However, there is some uncertainty as to the appropriate assumptions and it is to this uncertainty that research will be

directed during 2003. It is believed that this research will support the higher estimates. However, the investigation of harvest policy may indicate a more conservative approach to catch limit setting in the future, rather than having catch limits tied directly to present-year biomass estimates. These two contrasting elements have led the Staff to recommend that catch limits in 2003 should be the same as those used in 2002, while we complete this research. The Staff believes that maintaining these catch limits is conservative and presents no danger to the stock.

These recommendations, along with public and industry views on them, will be considered by IPHC Commissioners and their advisors at the IPHC Annual Meeting in Victoria BC, Canada, during January 21-24, 2003. These recommendations are preliminary and may be updated for the Annual Meeting, as final data are included in the assessment, but are not expected to change significantly.

Proposals concerning changes to catch limits should be submitted to the Commission by December 31, 2002. Catch limit proposal forms are available on the Commission's web page (<http://www.iphc.washington.edu>) or via fax (206-632-2983) from the Commission office. Additional details about the Annual Meeting can also be found on the web page.

2003 IPHC Staff Preliminary Catch Limit Recommendations for Halibut (millions of pounds, net weight)

Regulatory Area	2002 Catch Limit	2003 Staff Recommended Catch Limit
2A	1.31 ¹	1.31 ¹
2B	11.75	11.75
2C	8.50	8.50
3A	22.63	22.63
3B	17.13	17.13
4A	4.97	4.97
4B	4.18	4.18
4CDE	4.45 ²	4.45 ²
Total	74.92	74.92

¹ Area 2A recommendations include all removals designated in the PFMC catch-sharing plan

² Individual regulatory catch limits for Areas 4C, 4D, and 4E are designated by the NPFMC catch-sharing plan

- END -

Bruce M. Leaman
 Executive Director
 Phone: (206) 634-1838
 Fax: (206) 632-2983
 Web: www.iphc.washington.edu

PUBLIC TESTIMONY SIGN-UP SHEET FOR
AGENDA ITEM B-Reports

PLEASE SIGN ON THE NEXT BLANK LINE.
LINES LEFT BLANK WILL BE DELETED.

	<i>NAME</i>	<i>AFFILIATION</i>
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