

Public Testimony Sign-Up Sheet

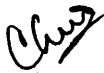
Agenda Item C-6(b) GOA B COD SIDEBARDS for CRAB VESSELS

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NOTE to persons providing oral or written testimony to the Council: Section 307(1)(I) of the Magnuson-Stevens Fishery Conservation and Management Act prohibits any person "to knowingly and willfully submit to a Council, the Secretary, or the Governor of a State false information (including, but not limited to, false information regarding the capacity and extent to which a United State fish processor, on an annual basis, will process a portion of the optimum yield of a fishery that will be harvested by fishing vessels of the United States) regarding any matter that the Council, Secretary, or Governor is considering in the course of carrying out this Act.

MEMORANDUM

TO: Council, SSC and AP Members

FROM: Chris Oliver 
Executive Director

DATE: January 23, 2009

SUBJECT: GOA B Season Sideboards for BSAI crab vessels

ESTIMATED TIME
4 HOURS

(All C-6 items)

ACTION REQUIRED

Initial review of GOA B season sideboards for BSAI crab vessels

BACKGROUND

In October 2008, the Council took final action to change the GOA Pacific cod sideboard exemption for qualified BSAI crab vessels. The Council removed the GOA B season Pacific cod sideboard exemption section from the sideboard amendment package to allow for further consideration as a separate amendment.

Under this proposed action, there are three alternatives. Alternative 1 (status quo) would not change the B season GOA Pacific cod sideboard limits. Alternative 2 would permit those non-AFA crab vessels/licenses that are prohibited from targeting GOA Pacific cod to target GOA Pacific cod from November 1 to December 31 absent of any sideboard limits. Alternative 2 would also exempt from sideboard limits, from November 1 to December 31, those non-AFA crab vessels/licenses limited by GOA Pacific cod sideboards. Alternative 3 would exempt from GOA Pacific cod sideboard limits during November 1 to December 31 only those non-AFA crab vessels/licenses that are restricted by GOA Pacific cod sideboard limits. In each of the action alternatives, the Council included two options that would establish a minimum tonnage and/or a percent of TAC that must be available on November 1 for the exemption to apply. These options would be applied to both the inshore and offshore components of the western GOA and central GOA.

At this meeting, the Council is scheduled to make an initial review of the analysis. The analysis for this agenda item was mailed out on January 16, 2009; an executive summary of that analysis is attached (Item C-6(b)(1)).

Executive Summary

Introduction

The crab rationalization program was implemented in March of 2005. The program allocates IFQ to harvesters in the crab fisheries. Recognizing that rationalizing the BSAI crab fisheries could provide opportunities for fishermen to alter their crab fishing patterns and take greater advantage of other fisheries, the Council included GOA groundfish sideboard limits for vessels and licenses that had Bering Sea snow crab history that contributed to IFQ. At its December 2006 meeting, the Council heard public testimony that the GOA sideboard limits, stemming from the crab rationalization program, had overly restricted historical participants in the GOA Pacific cod fishery. In response, the Council initiated an amendment to adjust the GOA Pacific cod sideboard exemption qualifications for non-AFA crab vessels, exempt qualified non-AFA crab vessels from GOA pollock sideboards, and exempt non-AFA crab vessels from GOA Pacific cod sideboards, from November 1 to December 31 of each year. In October 2008, the Council took final action on exempting GOA Pacific cod dependent non-AFA crab vessels from GOA Pacific cod sideboard limits. At the same time, the Council removed the GOA B season Pacific cod sideboard exemption from the original FMP amendment package and repackaged for further consideration in this amendment package.

Purpose and Need

The purpose of the non-AFA crab sideboard limit was to prevent vessels with crab quota from disadvantaging non-crab participants in the GOA groundfish fisheries. However, it is not uncommon to see large amounts of Pacific cod go unharvested in both western GOA and central GOA during the B season for both the inshore and offshore component. To address this issue, the Council developed the following draft problem statement:

Recognizing that rationalizing the BSAI crab fisheries could provide opportunities for fisherman to alter their crab fishing patterns and take greater advantage of other fisheries, the Council included GOA groundfish sideboard limits for non-AFA crab vessels that qualified for the Bering Sea snow crab IFQ fishery. However, given that considerable amounts of GOA Pacific cod B season TAC has continually remained unharvested during the November and December period, an exemption from GOA Pacific cod sideboard limits could allow for a more fully utilized resource, which is consistent with Council policy and MSA National Standard 1.

Alternatives

Under this action, there are three alternatives. Alternative 1 (status quo) would not change the B season GOA Pacific cod sideboard limits. Alternative 2 would permit those non-AFA crab vessels/license that are prohibited from targeting GOA Pacific cod to target GOA Pacific cod from November 1 - December 31 absent of any sideboard limit. Alternative 2 would also exempt from sideboard limits those non-AFA crab vessels/licenses limited by GOA Pacific cod sideboards from November 1 - December 31. Note that Alternative 2 was rewritten by staff to reflect a more accurate description of the non-AFA crab vessels which would be exempt from sideboard limits. Alternative 3 would exempt only those non-AFA crab vessels that are permitted to target GOA Pacific cod but are restricted by GOA Pacific cod sideboard limits from GOA Pacific cod sideboard limits. In each of the action alternatives, the Council included two options that would establish a minimum tonnage and/or a percent of TAC that must be available on November 1. These options would be applied individually to both the inshore and offshore waters and the WGOA and CGOA areas.

Alternative 1: No changes to B season Pacific cod sideboard limit

Alternative 2: **Under this alternative, two groups of non-AFA crab vessels/licenses would be exempt from GOA Pacific side board limits from November 1 to December 31. The first group, GOA Pacific cod prohibited vessels/licenses would be authorized to target GOA Pacific cod during the November 1 to December 31 period and not be limited by sideboards. The second group, those non-AFA crab vessels/licenses qualified to target GOA Pacific cod, would be exempt from sideboard limits during November 1 – December 31.**

Suboption 2.1 The exemption would apply if up to 10% to 30% of the B season Pacific cod TAC remains unharvested prior to November 1 for inshore and offshore components of the WGOA and CGOA.

Suboption 2.2 The exemption would apply if up to 0 to 5,000 mt of B season Pacific cod TAC remains unharvested prior to November 1 for inshore and offshore components of the WGOA and CGOA.

Alternative 3: Exempt from GOA B season Pacific cod sideboard limits during November 1 – December 31 for those non-AFA crab vessels that are restricted by GOA Pacific cod sideboard limits.

Suboption 3.1 The exemption would apply if up to 10% to 30% of the B season Pacific cod TAC remains unharvested prior to November 1 for inshore and offshore components of the WGOA and CGOA.

Suboption 3.2 The exemption would apply if up to 0 to 5,000 mt of B season Pacific cod TAC remains unharvested prior to November 1 for inshore and offshore components of the WGOA and CGOA.

This exemption only applies to those non-AFA crab vessels/LLPs that are eligible to participate in the GOA Pacific cod fishery (have appropriate LLP).

The intent of the action is to address National Standard 1 and more fully utilize GOA Pacific cod TAC so as not to impact other GOA Pacific cod dependent vessels. Under Alternatives 2, NMFS could relax B season Pacific cod sideboard restrictions after November 1 for non-AFA crab vessels/licenses that are restricted by GOA groundfish sideboard limits in the inshore and offshore of the WGOA and/or CGOA if up to 10 to 30 percent of the B season TAC remains unharvested in the respective area and/or if up to 0 to 5,000 mt of Pacific cod TAC remains unharvested. Alternative 3 would accomplish the same exemption, but would limit the exemption to only those non-AFA crab vessels/licenses that are permitted to target GOA Pacific cod but are restricted by the GOA Pacific cod sideboard limits.

Impacts of the Alternatives

Alternative 1

Under Alternative 1, there would be no change to the B season Pacific cod sideboard limit after November 1 for non-AFA crab vessels. Participation levels by non-AFA crab vessels to which the GOA Pacific cod sideboard applies would likely remain at the current level. Since establishment of the GOA sideboard in 2006, the GOA Pacific cod sideboard fishery has closed prematurely. As a result, those non-AFA crab vessels that have been constrained in their catch of GOA Pacific cod in the sideboard fishery during will likely continue to be constrained in the future under status quo despite B season GOA Pacific

cod quota still being available. In addition, there is the potential that large amounts of GOA Pacific cod TAC will remain unharvested at the end of the B season.

Alternatives 2 and 3

Looking at the population of non-AFA crab vessels that could be exempt under Alternatives 2 and 3, currently, there are a total of 227 non-AFA crab vessels and 57 licenses that made a landing of BS snow crab during the 1996 to 2000 period that contributed to an IFQ. Of this total, 5 non-AFA crab vessels/licenses are already exempt from GOA Pacific cod sideboards. In addition, the Council in October 2008, voted to exempt an additional 3 vessels/licenses from GOA Pacific cod sideboard limits. After removing already exempt vessels/licenses and potential exempt vessels/licenses, the remaining 219 non-AFA vessels and 49 licenses would be exempt from the GOA Pacific cod sideboard limits under Alternative 2. Eight five non-AFA crab vessels and 40 LLP licenses that qualify to participate in the GOA Pacific cod sideboard fishery would be exempt from GOA Pacific cod sideboard limits under Alternative 3.

Examining the annual fishing activity in the GOA Pacific cod fishery for the qualified vessels shows that very few of the vessels have been active in this fishery during the November 1 to December 31 period throughout 1995 to 2007. In contrast, the total number of other Pacific cod dependent vessels active during the November 1 to December 31 time period has ranged from no vessels during a few years to 87 vessels in 2007. In recent years, the number of other Pacific cod dependent vessels participating in the central GOA Pacific cod fishery during the November 1 to December 31 period has increased significantly.

Despite the limited number of qualified vessels that fished in the GOA Pacific cod fishery during the November 1 to December 31 period, there is a potential that lifting the GOA Pacific cod sideboards during this period could increase fishing pressure on GOA Pacific cod and thereby impact other GOA Pacific cod dependent vessels. Unfortunately, it is not possible to determine with any certainty the extent to which the new exempt vessels would impact other Pacific cod participants.

With the intent to provide protection for current B season GOA Pacific cod participants, the Council included two suboptions that when applied would limit the exemption from GOA Pacific cod sideboard limits to those periods with sufficient GOA Pacific cod TAC to support the potential increase in fishing effort from exempt non-AFA crab vessels. The advantage of this approach is that regardless of the actual B season GOA Pacific cod TAC level, there would be a consistent percentage of B season GOA Pacific cod available for harvest on November 1 by existing GOA Pacific cod participants. The disadvantage of this approach is during periods of low B season TAC, there may not be sufficient TAC to protect existing GOA Pacific cod participants during November 1 - December 31. An advantage of a minimum tonnage approach is it would provide a specific minimum amount of GOA Pacific cod TAC for existing GOA Pacific cod participants during years of low TACs. A disadvantage of this approach is that the required minimum tonnage would require a regulatory or FMP amendment to change the amount, thus making it a cumbersome management tool for an ever changing fishery.

Although both thresholds can be applied on an individual basis, the Council may want to consider combining both criteria together to accomplish its intended goal. In other words, the Council would select a specific percent of GOA B season Pacific cod TAC that must still be available for harvest on November 1, and the Council would also select a specific minimum tonnage of B season GOA Pacific cod TAC that must be available for harvest on November 1. Combined, the two thresholds could provide the advantage of a threshold that automatically adjusts to the B season GOA Pacific cod TACs and yet includes a minimum tonnage of B season GOA Pacific cod TAC.

Crucial in selecting the appropriate threshold(s) is providing the right amount of opportunity for vessels to fully utilize the TAC to the extent practicable, while also leaving a sufficient amount of TAC for existing Pacific cod dependent vessels during the November 1 – December 31 fishery period to maintain their historic access to the fishery. If the percent of available B season GOA Pacific cod TAC required on November 1 is too high, there is the potential that B season GOA Pacific cod sideboards would not be relaxed, thus reducing the opportunity to fully utilize the Pacific cod resource. At the same time, if there is insufficient TAC after November 1 and the GOA B season Pacific cod sideboards are lifted for qualified vessels, existing Pacific cod dependent vessels could be negatively impacted from increased fishing effort. To ensure the Council's intent that B season GOA Pacific cod TAC is fully utilized to the extent practicable and existing B season GOA Pacific cod participants are protected, the choice of an appropriate threshold must be carefully considered.

Based on catch information, the inshore component of the western GOA is likely has the most underutilized Pacific cod. An indication of the need for a sideboard exemption is the amount of B season TAC remaining after November 1, which has ranged from 63 percent of the B season TAC (2,357 mt) in 2005 to 92 percent of the B season TAC (5,342 mt) in 2006. Providing protection for existing GOA Pacific cod participants, the Council would likely have to select tonnage amounts for the inshore component of the western GOA greater than 1,000 mt and/or select a percent of TAC greater than 15 percent. In the past, existing Pacific cod participants have harvested close to 900 mt or 15 percent of the B season western GOA TAC during November 1 - December 31. If the Council selected 1,500 mt and/or 20 percent of TAC that must be available on November 1, the exemption would likely have been permitted in 2005, 2006, and 2007.

For the offshore component of the western GOA, the need for a sideboard exemption is limited due to smaller TAC levels. There was little need for an exemption during the 2003 and 2004 season because the fishery did not open for the 2003 B season and in 2004, the hook-and-line fishery closed on October 2 due to halibut PSC restrictions. For 2006 and 2007, there appeared to be sufficient TAC available for a sideboard exemption. The amount of B season TAC remaining after November 1 was 87 percent of the B season TAC (1,114 mt) in 2006 and 75 percent (916 mt) in 2007. To protect the existing offshore participants from increased effort from exempt non-AFA crab vessels during November 1 – December 31, the Council would likely have to select tonnage amounts and/or percent of TAC equal to 500 mt and 20 percent. Assuming these amounts were selected for a sideboard exemption, the exemption would have been permitted during the 2005, 2006, and 2007 B season.

For the inshore component of the central GOA, the need for an sideboard exemption is limited. The primary reason for the limitation is due to the B season TAC being fully utilized for most years. Also, in the past five years, the percent of B season TAC harvested in the later portion of the B season (November 1 – December 31) has been increasing. In 2003 and 2004, the hook-and-line fishery closed on September 3 and October 2, respectively. In 2004, the existing Pacific cod participants harvested 485 mt of 7 percent of the B season TAC, while in 2007 they harvested 2,838 mt or 31 percent of the B season TAC. As a result, the increase in fishing effort by existing Pacific cod participants has left little need for a sideboard exemption. To protect existing Pacific cod participants operating in the inshore component of the central GOA, significantly higher protection measures are likely. The level of protection needed would likely be 4,000 mt and/or 35 percent of TAC. If the Council selected 4,000 mt and/or 35 percent of TAC for a sideboard exemption in the inshore component of the central GOA, the exemption would have been permitted only in 2006.

For the offshore component of the central GOA, the need for a sideboard exemption appears to be greater when compared to the inshore component. Similar to other areas of the GOA, there would have been little need for an exemption during the 2003 and 2004 B season due to early closures. However, for 2006 and 2007, there was greater need for a sideboard exemption. The amount of B season TAC remaining on

November 1 has ranged from 71 percent of the B season TAC (1,930 mt) in 2007 to 76 percent of the B season TAC (1,941 mt) in 2006. Protection for existing offshore central GOA participants from increased fishing effort due to the sideboard exemption would likely require 1,000 mt and/or 20 percent of TAC to be available on November 1. Looking at previous years of B season TAC available on November 1, the exemption would have been permitted in 2006 and 2007. For those non-AFA crab vessels using pots, the exemption would have applied during the 2005 B season since pot vessels are not restricted by halibut PSC.

Potentially affecting this proposed action are three Council actions that are either under consideration or recently finalized. In October 2008, the Council exempted 3 new GOA Pacific cod dependent non-AFA crab vessels from GOA Pacific cod sideboard limits. Given that sideboard exempt GOA Pacific cod participants may utilize more B season Pacific cod in future years, there may be a need for a higher level of protection from increased effort caused by a B season sideboard exemption. The Council may want to take into this increased effort consideration when calculating the minimum tonnage or percent of TAC necessary for the exempt fishery.

In December 2008, the Council conducted an initial review of the GOA Pacific cod sector splits that analyzed the impacts of allocating western and central GOA Pacific cod TACs among the fixed gear sectors (hook-and-line catcher processors, hook-and-line catcher vessels, pot catcher processors, $\geq 60'$ pot catcher vessels, and pot vessels $< 60'$ in length), jig sector, and trawl sectors based on recent sector catch histories. GOA Pacific cod sectors allocations would be based on the sector's historic catch levels. The potential allocations to the pot CV sector of western GOA Pacific cod TAC range from 27 percent to 42 percent. In the central GOA, the potential allocations to the pot CV sector range from 25 percent to 30 percent. Given that GOA Pacific cod is currently not apportioned between sectors, a sector split could reduce the total amount of GOA Pacific cod available for the exempt non-AFA crab vessels and non-crab vessels sharing a sector allocation throughout the fishing year. In general, the smaller the allocation of Pacific cod allocated to the pot CV sector, the greater potential for non-crab pot catcher vessels to be impacted from changing the Pacific cod exemption, while larger allocations would lessen the impact exempt vessels would have on non-crab vessels.

Note that the timing and interaction of these two actions should be taken into consideration when determining minimum tonnage or percent TAC available for a sideboard exemption. Currently, this action, if approved, would establish a sideboard exemption at the inshore/offshore level of the western and central GOA. However, the GOA Pacific cod sector split action would further apportion TAC down to the sector level. By further apportioning GOA Pacific cod down to the sector level, minimum tonnage or percent TAC levels derived for this action will likely be too large for a sector allocated fishery. If this proposed action is completed prior to the GOA Pacific cod split action, then the Council might want to include in that action options to adjust the minimum tonnage or percent of TAC necessary for an exemption fishery to take into account the TAC being apportioned down to the sector level. If, on the other hand, the GOA Pacific cod split action is completed prior to this proposed action, the suboptions included in this action and the analysis would likely need to be adjusted to take into account the TAC being apportioned at the sector level.

Finally, the Council is currently considering an action that would extinguish fixed gear LLP licenses with western and central GOA endorsements that do not have recent catch history in the GOA groundfish fisheries. The proposed amendment could also create Pacific cod endorsements on fixed gear licenses. Licenses would be required to carry Pacific cod endorsement, in addition to the appropriate area endorsements, to participate in the directed Pacific cod fisheries in federal waters of the GOA. Pacific cod endorsements could also have a specific gear designation (e.g., pot or hook-and-line), similar to the BSAI Pacific cod endorsements created under Amendment 67. Pacific cod endorsements would limit the

number of licenses eligible to fish the western and central GOA Pacific cod sector allocations, and would effectively cap the number of participants in each sector.

There are 36 fixed gear groundfish licenses that are subject to the GOA Pacific cod sideboards for BSAI crab qualified vessels and licenses, and an additional 11 fixed gear licenses that are prohibited from fishing in the directed Pacific cod fisheries in the GOA. Of the 36 sideboarded licenses, six are CP licenses and 30 are CV licenses. The six CP licenses include four central GOA and four western GOA endorsed licenses. The 30 CV licenses include 20 central GOA and 14 western GOA endorsed licenses. Of the 14 western GOA CV sideboarded licenses, 13 licenses have at least one fixed gear landing during 2000-2006, which could qualify these licenses for a Pacific cod endorsement). Of the eight western GOA CV Pacific cod prohibited licenses, three have at least one fixed gear landing during 2000-2006, which would qualify these licenses for a Pacific cod endorsement. For the central GOA, 17 of the 20 CV sideboard licenses have at least one fixed gear landing during 2000 – 2006 and thus could qualify for a Pacific cod endorsement. Of the six central GOA CV Pacific cod prohibited licenses, one license has at least one fixed gear landing during 2000 – 2006, which could qualify for a Pacific cod endorsement.

As noted above, six of the crab sideboarded licenses are CP licenses of which none are Pacific cod-prohibited licenses. Four of these sideboarded CP licenses have a western GOA endorsement and at least three of these licenses have one groundfish landing in the western GOA during 2000-2006. Four licenses have a central GOA endorsement, and at least three of these licenses have at least one qualified central GOA landing.