


MEMORANDUM

TO: Council, SSC and AP Members
FROM: Chris Oliver 
Executive Director
DATE: September 21, 2012
SUBJECT: GOA trawl PSC tools

ESTIMATED TIME 6 HOURS (All D-1 items)

ACTION REQUIRED

(a) Feedback on goals and objectives for GOA PSC tools.

BACKGROUND

Over the course of the past few years, the Council has advanced a number of actions to reduce the use of prohibited species catch (PSC) in Gulf of Alaska fisheries. At its June 2011 meeting, the Council introduced Chinook PSC limits in the Gulf pollock fisheries. In addition, the Council took action at its June 2012 meeting to reduce halibut PSC available to trawl and longline fisheries in the Central and Western Gulf. The Council is also considering an action to extend similar Chinook PSC limits to non-pollock groundfish fisheries in the Gulf. This series of actions reflects the Council's commitment to reduce prohibited species catch in the Gulf fisheries. Participants in these fisheries, particularly in the Central Gulf, have raised concerns that the current limited access management creates a substantial disincentive for them to take actions to reduce PSC usage, especially actions that also reduce target species catch rates. If target catch rates are reduced, other participants, who choose not to exert efforts to avoid PSC, stand to gain additional target catch by continuing to harvest fish at a higher catch rate, at the expense of vessels engaged in PSC avoidance.

Throughout the discussions of PSC reductions in the Gulf fisheries, the Council has acknowledged that a more comprehensive look at management measures to aid fleets in achieving PSC reductions is needed. At its June 2012 meeting, the Council received a discussion paper to help focus its discussion of the development of such a management package (attached as Item D-1(a)). In response to the paper and public testimony, the Council expressed its intent to schedule a specific agenda item to develop a purpose and need statement identifying goals and objectives for the action and to begin the process of developing a program to provide tools for effective management of PSC, incentives for the minimization of bycatch, and vessel level accountability for the Central Gulf of Alaska trawl groundfish fishery. The Council encourages participants in the Central Gulf trawl fishery and other stakeholders to provide input concerning objectives for the action, as well as the types of 'tools', or management measures, that should be considered.

Measures to address Gulf bycatch
North Pacific Fishery Management Council
June 2012

1 Introduction

Over the course of the past few years, the Council has advanced a number of actions to reduce the use of prohibited species catch (PSC) in the Bering Sea and Aleutian Islands and Gulf of Alaska fisheries. The Council recently introduced Chinook PSC limits in the Gulf pollock fisheries. The Council is also considering an action to extend similar Chinook PSC limits to non-pollock groundfish fisheries in the Gulf. At this meeting, the Council is considering taking action to reduce halibut PSC available to trawl and longline fisheries throughout the Central and Western Gulf. This series of actions reflects the Council's commitment to reduce prohibited species catch in the Gulf fisheries. Participants in these fisheries have raised concerns that the current limited access management creates a substantial disincentive for participants to take actions to reduce PSC usage (particularly actions that could reduce target catch rates). Other participants, who choose not to exert efforts to avoid PSC, stand to gain additional target catch by continuing to harvest fish at a higher catch rate, at the expense of vessels engaged in PSC avoidance.

In other fisheries where the Council has pursued PSC reductions, participants have typically had more tools at their disposal to attempt to maintain catches while meeting those reductions. In the Bering Sea, as a part of Amendment 80, the Council adopted a series of annual halibut and crab PSC reductions culminating with the sector receiving 80 percent of its historical usage.¹ In the Bering Sea pollock fishery, the Council also undertook a variety of measures to reduce Chinook PSC, including closed areas, a rolling hotspot closure system, and an incentive program with binding limits. The Council is also currently considering additional measures to reduce chum salmon PSC in the pollock fishery. In the Central Gulf of Alaska, as a part of the rockfish cooperative program, the Council reduced the allocation of halibut PSC to 87.5 percent of the historical usage in the fishery. Each of these fisheries, where PSC reduction actions have been applied, is a rationalized fishery. Consequently, participants who choose to change their effort to reduce PSC usage have limited risk of losing access to target catch. Throughout the discussions of PSC reductions in the Gulf fisheries (which are not rationalized), the Council has acknowledged that a more comprehensive look at the available tools to aid fleets in achieving PSC reductions is needed.

In the course of its deliberations of Gulf PSC reductions, several management measures to address PSC have been discussed. Individual or vessel bycatch quotas have been suggested as a potential tool to address PSC reduction incentives. Although bycatch quotas may address the distribution of allowable PSC among participants, some stakeholders have suggested that absent allocations of target species, incentives for PSC avoidance may be diminished. These stakeholders suggest that a more comprehensive program that includes target allocations is necessary to achieve PSC reduction objectives. Incentive programs, such as those adopted in the Bering Sea pollock fishery and Central Gulf of Alaska rockfish fishery have also been suggested as worthy of consideration. Area closures and hot spot programs have also been suggested as potential measures to achieve PSC reductions. Given the range of potential tools to achieve PSC reductions, the Council has requested this discussion paper to assist it in focusing its discussions.

¹ At this meeting, the Council is also considering an action to further reduce halibut PSC usage in the Bering Sea and Aleutian Islands fisheries. The extent of any proposed reductions and the fleets that would be subject to the reductions have yet to be decided.

The paper begins with a brief background section that describes current management of PSC in the Gulf of Alaska groundfish fisheries. The paper goes on to relative management objectives found in the Magnuson Stevens Act and the Gulf groundfish fishery management plan to any action intended to provide participants with tools to reduce PSC usage in Gulf fisheries. The discussion of objectives considers the range of management tools that the Council could consider and the relevance of various objectives to those measures. These first two sections could be used by the Council to develop a purpose and need statement for any action it might choose to advance. The third section of the paper provides brief summaries of various management programs that might be used to address PSC reductions. Each discussion focuses on the potential of the program to serve the various objectives described in the preceding section, as well as the potential for different ancillary measures to increase the effectiveness of (or mitigate possible harms that might arise under) the program.

This section of the paper could be used by the Council to begin to define possible actions to consider. Although it is unlikely that the Council could fully define alternatives at this meeting, it is possible that the Council could narrow the scope of management actions that it wishes to consider. In addition, the Council could identify a process for adding specificity to the alternatives (such as further development by the Council and Advisory Panel, development of alternatives by stakeholder group, or a call for stakeholder proposals).

To aid the Council in considering the different management actions, the appendix at the end of this paper describes other programs that are either directed at PSC reduction or have PSC reduction components. These brief profiles are intended to provide further context for the discussion of alternatives in this paper.

2 Current management of PSC in Gulf fisheries

Most groundfish fisheries in the Gulf of Alaska fisheries are currently managed as limited access derby fisheries, in which NOAA Fisheries opens each fishery on a specified date, then monitors catch inseason, timing the closure of the fishery with the harvest of the available portion of the total allowable catch. Currently, the Council has identified the catches of two species, halibut and Chinook salmon², that are to be constrained by prohibited species catch apportionments in Gulf fisheries. Halibut prohibited species catch limits apply in the hook-and-line and trawl fisheries, while Chinook salmon PSC limits will apply in the pollock trawl fisheries.

In the hook-and-line fisheries, Southeast Outside demersal shelf rockfish (DSR) are subject to a 10 metric ton (mt) annual limit of halibut PSC. Since 2007, fewer than three vessels have prosecuted the DSR fishery. With such minimal participation and PSC usage, the directed DSR fishery is not believed to have the current incentive issues that are prevalent in other fisheries. All other hook-and-line groundfish fisheries are subject to a 290 mt halibut PSC, which is divided seasonally and by operation type (catcher vessel/catcher processor). Historically, Pacific cod fisheries were divided between inshore and offshore sectors, under which minimal at sea processing was allowed in the inshore sector. The recent Pacific cod sector split action has divided the Gulf Pacific cod catch between gear and operation types and has divided hook-and-line PSC between catcher vessels and catcher processors based on the portion of the annual Pacific cod TAC available to the two sectors, which varies annually with the distribution of the TAC across the Western and Central Gulf management areas. The Council is currently considering an action to reduce these apportionments by as much as 15 percent.

Hook-and-line halibut PSC usage is almost exclusively in the Pacific cod target. Since 2003, fewer than 25 freezer longline vessels have participated in the catcher processor groundfish fisheries in the Gulf. All but one of the holders of licenses eligible for the catcher processor sector are members of a cooperative

² The Chinook salmon PSC limit is expected to be implemented in Gulf fisheries beginning on August 25, 2012.

that internally manages the catches of Pacific cod by vessels in this fleet. To date, these vessels have constrained their harvests of Pacific cod and usage of halibut PSC to ensure that the non-member has access to its historical share of the harvests of Pacific cod in the Gulf. Since this fleet has been able to organize to effectively manage its catches in the Gulf, it may need no further regulatory actions to enable it to address halibut PSC usage.

More than 500 hook-and-line catcher vessels typically participate in groundfish fisheries in the Gulf. Three times from 2000 through 2011, the Western or Central Gulf inshore Pacific cod fisheries have been closed before the available Pacific cod was fully harvested due to use of available halibut PSC during the third season. Reductions to PSC allowances under consideration by the Council could result in further closures for the catcher vessel hook-and-line sector. An analysis that assumes historical usage by catcher vessels suggest that the Pacific cod fishery would have closed once during the second season and five times during the third season from 2003 through 2011. With a large number of vessels participating in the Gulf hook-and-line fishery, it is unlikely that any vessel in the fishery has an incentive to pursue halibut PSC reductions that would forgo target catch due to the large number of competing vessels. In addition, the large number of participants limits any prospect for participants to develop voluntary agreements to address halibut PSC.

Trawl fisheries have also been the subject of recent actions to reduce PSC usage. First, the Council incorporated a reduction in trawl halibut PSC into the Central Gulf rockfish program. The reduction is realized through a direct set aside of 12.5 percent of historical usage in the fishery, as well as through a set aside of 45 percent of any halibut PSC that is not used by rockfish cooperatives prior to rolling over unused halibut PSC to other fisheries. Since the Central Gulf rockfish fishery is managed through exclusive cooperative allocations, participants in that fishery are able to adapt fishing effort to reduce PSC usage without jeopardizing access to target catches. As a result, the Central Gulf rockfish fishery is unlikely to require modifications to allow its participants to address PSC usage.

Currently, the Council is considering an action that would reduce halibut PSC available in Gulf trawl fisheries (other than the Central Gulf rockfish fishery) by as much as 15 percent. Halibut PSC in Gulf trawl fisheries is divided between shallow-water complex fisheries (primarily Pacific cod and shallow-water flatfish) and deep-water complex fisheries (primarily rockfish, rex sole, and arrowtooth flounder) across four seasons, with a fifth season apportionment available for use by fisheries in either complex. In recent years, deep-water complex fisheries have frequently used all of the available seasonal apportionments of halibut PSC. Seasonal apportionments in shallow-water complex fisheries are periodically fully used, with the first season limit being reached the least frequently. That season receives a relatively large apportionment to allow for prosecution of the first season in the Pacific cod fishery.

Since 2003, approximately 20 catcher processors and 125 catcher vessels have participated in fisheries that use these halibut PSC apportionments. Vessel participation patterns vary, with some vessels participating only in one management area (the Central Gulf or the Western Gulf) and some vessels participating only in the certain seasons or fisheries. For example, some Western Gulf vessels will participate only in the Pacific cod fishery in the A season, choosing to instead fish salmon during the summer months. The shared seasonal apportionments – available to catcher vessels and catcher processors in multiple target fisheries across two management areas – create a substantial barrier to the formation of agreements to address halibut PSC usage. Despite these circumstances, participants have, at times, coordinated the timing of fishing, shared halibut PSC rate information to address halibut PSC usage. For example, participants have agreed not to begin fishing until cod aggregations allowed for reasonably high catch rates, which typically reduces halibut PSC rates. These efforts have often been stimulated by NOAA Fisheries, which has indicated that management of fleet effort may only be possible using brief, scheduled openings, which drive up costs to participants. In response, some fleets have coordinated harvests to prevent overages. At times, these fleet efforts have been thwarted by vessels that have elected to fish while other vessels have honored the voluntary standdowns. The potential for future

voluntary coordinated efforts to reduce halibut PSC declines as a result of vessels failing to abide by the standdowns, as vessels that fish through a standdown increase their share of the available TACs.

The proposed reductions in halibut PSC could increase the pressure on participants who might attempt to organize coordinated efforts to reduce halibut PSC. With less halibut PSC available, participants that adopt halibut avoidance measures that reduce target catch rates (such as standdowns) risk losing an even greater share of the available catch. If halibut constrains a fishery and vessels that fish through a standdown are likely to lead to an earlier closure of the fishery, vessels abiding by the standdown would lose more days of fishing and more catch to those vessels that elect to fish through the standdown.

The Council also recently established limits on Chinook PSC in the Gulf of Alaska pollock fisheries. That action divided a combined limit of 25,000 fish per year between the Western Gulf, which would be subject to a 6,684 fish limit, and the Central Gulf, which would be subject to a 18,316 fish limit. These limits would have been reached in the pollock fisheries once in the Western Gulf and twice in the Central Gulf in the period from 2003 through 2010. While these limits may stimulate some efforts on the part of participants to reduce Chinook PSC, the incentive for reducing Chinook PSC could be affected by a number of factors. First, as in many other Gulf fisheries, the number and diversity of participant could be a barrier to development of arrangements that are agreeable to all. The fact that limits are not seasonally divided and some participants do not participate in all seasons could lead some A season participants to disregard interests of others who rely on later seasons in the fisheries. The potential for entry to the fisheries (arising because many holders of eligible licenses do not currently participate in the fisheries) also poses a threat to any agreement, as entrants might disregard those agreements to obtain a share of the available catch. In addition, movement of vessels between the two areas could disrupt agreements. For example, a vessel licensed for both management areas may gain an opportunity to move between the areas, if vessels in one area standdown to reduce Chinook PSC. In short, the structure of current management could be a significant impediment to actions that might achieve Chinook PSC reductions.

The Council is also currently considering an action that would establish a Chinook PSC limit in non-pollock groundfish trawl fisheries in the Gulf. Options would allow for the limit to be apportioned among operation types and management areas. Although the effects of an prospective cap have yet to be analyzed, these fisheries are prosecuted by a number of vessels throughout the year. A number of license holders are also eligible to enter the fisheries, creating uncertainties for participants that adopt fishing practices to reduce Chinook PSC.

Over time, Gulf fishery participants have expressed concerns that individual incentives under the current management measures run counter to the Council's objective of reducing PSC rates in the fisheries. Specifically, these participants fear that vessels that adopt the PSC avoidance measures (and reduced target catch rates) will suffer a loss of catch due to the race for fish that arises under limited access management. The proposed reduction of available halibut PSC, together with new limits on Chinook PSC, have heightened these concerns, as the individual incentives to disregard PSC rates may be worsened, particularly when those limits are constraining (and therefore, most meaningful and effective). The Council has responded to this concern by requesting this discussion paper concerning the potential management measures that may better align individual incentives with the Council's objective of reducing PSC and PSC rates.

3 Magnuson Steven Act and Gulf groundfish fishery management plan objectives that relate to possible bycatch reduction actions

The primary objective of any action contemplated by the Council when requesting this discussion paper is to improve incentives for PSC reductions; however, several other secondary objectives are likely to arise, depending on the specific action that the Council pursues. This section relates the primary objective with several other objectives from the Magnuson Stevens Act and Gulf fishery management plan that might

motivate the Council's action. Together with the previous section, this section could be used by the Council to develop a purpose and need statement for the action.

National standards are the primary source of fishery management objectives for federal marine fisheries. A number of management objectives from the national standards may be relevant for any action to address PSC incentives in Gulf fisheries. Foremost, national standard 9 provides:

Conservation and management measures shall, to the extent practicable, (A) minimize bycatch and (B) to the extent that bycatch cannot be avoided, minimize mortality of such bycatch. (MSA Sec. 301(a)(9)).

Any action that the Council might pursue is likely to be primarily motivated by the objective of reducing bycatch, as required by this national standard. While the requirement to reduce bycatch in the standard is unequivocal, its mandate is qualified, requiring minimization only to the extent practicable. This limitation suggests that other dictates of national standards be considered when defining measures to address bycatch.

A second consideration, arising under national standard 1, is the achievement of "optimum yield" for the fishing industry on a continuing basis (MSA Sec. 301(a)(1)). Optimum yield is defined as "the amount of fish which will provide the greatest overall benefit to the Nation, particularly with respect to food production and recreational opportunities, and taking into account the protection of marine ecosystems" and "is prescribed as such on the basis of the maximum sustainable yield from the fishery, as reduced by any relevant economic, social, or ecological factor" (see MSA Sec.3(33)). Under this dictate, the Council is to manage a fishery to achieve the greatest overall net benefit, considering several factors, including not only recreational and commercial fishery benefits, but also economic, social, and ecological factors. As with the national standard 9 bycatch minimization requirement, this national standard suggests that the Council must balance the objective of maximizing net benefits in a fishery with these other general considerations. Given the scope of possible bycatch management measures, a variety of factors could be pertinent. Within the fishery, the Council may need to consider distributional impacts, such as the whether some participants may be advantaged by the measure due to their fishing patterns and fishery dependence. Economic and social impacts could be felt by crewmembers, if the measure contributes to fleet consolidation, and processors, if landings distributions are affected. Indirect effects could be felt by fisheries that depend on the bycatch species, but also could extend to other fisheries. If a management measure alters the timing of fishing, gear conflicts or landing schedules could be affected. In general, the first national standard requires the Council to achieve optimum yield, the relatively broad definition of that term suggests that in developing bycatch measures the Council will need to weigh a number of potentially competing interests (including the interests of participants whose bycatch is being constrained, as well as persons who may participate in fisheries that harvest the bycatch species in their directed fisheries). These considerations are made in the context of overall benefits to the Nation, suggesting that the calculus extends to shore-based businesses (including a variety of support industries and downstream producers and consumers). In addition, the definition makes clear that the optimum yield is not necessarily equal to the maximum sustainable yield, but may be reduced from the maximum sustainable yield to address economic, social, and ecological factors.

While the ninth and first national standards are the most relevant, several other national standards could be relevant depending on the Council's action. National standard 5 provides that, where practicable, efficiency in utilization of fishery resources shall be considered. National standard 7 requires management measures to minimize costs, where practicable. So, in developing measures to address bycatch reductions, the Council should consider developing measures to allow for efficiencies in the fishery and minimize costs, to the extent practicable. These two national standards, at times, may need to be counterbalanced with national standard 8, which requires that management actions provide for sustained participation of fishing communities and minimize adverse economic impacts on fishing communities to the extent

practicable. For example, management measures that achieve efficiencies through consolidation that draws activities away from some communities may need to be mitigated by measures that protect community interests.

National standard 4 provides that any program that allocates or assigns fishing privileges must do so in a manner that is fair and equitable and must be carried out in a manner that prevents any individual or entity from acquiring an excessive share of privileges. If the Council were to pursue an allocation of individual (or vessel) bycatch quotas or any form of catch share or rationalization program (such as a cooperative program), the limitations in this national standard would apply.

Lastly, national standard 6 requires that management measures take into account and allow for variations among, and contingencies in, fisheries, their resources, and catches. Although not specific in its applicability to any management measure, this standard suggests that management measure should be flexible enough to accommodate changes that might occur in a fishery.

In addition to national standards, several other provisions of the Magnuson Stevens Act may be relevant to the development of objectives for the Council's action.³ As a part of fishery management plans, the Council is required to include conservation and management measures that, to the extent practicable, minimizes bycatch and mortality of bycatch which cannot be avoided (MSA Sec. 303(a)(11)). In addition, the Council may include measures "that provide harvest incentives for participants within each gear group to employ fishing practices that result in lower levels of bycatch or in lower levels of the mortality of bycatch. (Sec. 303(b)(10)).

If the Council elects to allocate individual or vessel bycatch quota (either exclusively or as part of a more comprehensive allocation of target and PSC species), several other aspects of the MSA are applicable. The MSA defines a limited access privilege as a "Federal permit...to harvest a quantity of fish expressed by a unit or units representing a portion of the total allowable catch of the fishery that may be received or held for exclusive use by a person" (MSA Sec.3(26)). Although the use of the term "harvest" suggests that the definition would apply only to retained catches, "bycatch" is defined by the Act as "fish which are harvested in a fishery, but which are not sold or kept for personal use, and includes economic discards and regulatory discards" (MSA Sec. 3(2)). This definition makes clear that "harvests" includes discards, such as PSC (see MSA Sec. 3(38)). Consequently, any exclusive allocation of PSC allowances (which would include individual or vessel bycatch quota or cooperative allocations of PSC) appears to be subject to the requirements for limited access privilege programs. Similarly, any action that the Council might consider that includes both PSC allowances and allocations of target species (whether allocated to vessels, individuals, or cooperatives) would also be clearly subject to the limited access privilege program requirements.

The MSA provides extensive direction for identifying management objectives for limited access privilege programs. Any program is required to promote fishing safety, fishery conservation and management, and social and economic benefits, as well as reduce capacity in any fishery that is found to be overcapacity (MSA Sec. 303A(c)(1)(B) and (C)). The Council is also required to undertake an expansive consideration of social, cultural, and economic issues in the development of a limited access privilege program. Any allocation is also required to be fair and equitable, considering current and historical harvests, employment in harvesting and processing, investments in and dependence on the fishery, and current and

³ Although not directly relevant to defining objectives for the action, the MSA also includes authority for the Council to "establish a system of incentives to reduce total bycatch,...bycatch rates, and post-release mortality in fisheries... including (1) measures to incorporate bycatch into quotas, including the establishment of collective or individual bycatch quotas, (2) measures to promote the use of gear with verifiable and monitored low bycatch...rates, and (3) measures that...will reduce bycatch...bycatch mortality, post-release mortality, or regulatory discards in the fishery." (MSA Sec.316(b)).

historical participation of fishing communities (MSA 303A(c)(5)(A)). In addition, the program should provide for sustained participation of small owner operated vessels and dependent communities, as well as provide for these interests and captains and crew through set asides, where necessary and appropriate (MSA 303A(c)(5)(B), (C), and (D)). Privileges under the program are to be held and used only by persons who substantially participate in the fishery, and program elements should prevent excessive consolidation in harvesting and processing, as well as geographic consolidation of the fishery (MSA 303A(c)(5)(D) and (E)). The Council should also develop a policy on transferability of shares, consistent with the objective and goals of the program (MSA 303A(c)(7)).

Beyond the MSA, guidance for development of management objectives is also found in the Council's Gulf fishery management plan (FMP). While the FMP policy is largely derived from the management objectives of the MSA, it may provide additional direction and focus for specific actions. The Council's policy is to apply judicious and responsible fisheries management practices, proactively rather than reactively, to ensure the sustainability of fishery resources. The objective is to be carried out by considering reasonable, adaptive management measures. As part of its policy, the Council intends to consider and adopt, as appropriate, measures that accelerate the Council's precautionary, adaptive management approach through community-based or "rights-based" (i.e., catch share)⁴ management, and where appropriate and practicable, increase habitat protection and bycatch constraints. These lead to overall fishery management goals of providing sound conservation of the living marine resources and providing socially and economically viable fisheries for the well-being of fishing communities.

The FMP also includes specific objectives. The first group of objectives that is directly relevant as addresses management of incidental catch and reduction of bycatch and waste. The first of these is a general standing commitment to continue and improve the bycatch management program. The second is an objective to develop incentive programs for bycatch reduction, including development of mechanisms to facilitate the formation of bycatch pools, vessel bycatch allowances, or other bycatch incentive systems. This objective suggests that any measures should include incentives for bycatch reductions. Programs should also include measures that encourage the use of gear and fishing techniques that reduce bycatch. Seasonal distributions and geographic restrictions on gear use (such as closed areas) are also supported. Improving accuracy of mortality assessments for PSC, controlling bycatch of PSC through limits, and reducing waste to socially and biologically acceptable levels are also stated objectives.

A second group of FMP objectives relevant to the action concerns the promotion of sustainable fisheries and communities. The first of these provides that the Council should work to promote conservation, while providing for optimum yield, as define in the Magnuson Stevens Act. The second provides that management measures should achieve conservation objectives, while avoiding significant disruption to existing social and economic structures. The third objective (which could be relevant, if the Council pursues allocations of bycatch quota or target species allocations) provides that allocations should be fair and equitable while preventing any sector, group, or entity from acquiring an excessive share of fishing privileges.

A third group of FMP objectives, which may have relevance depending on the Council's action, is intended to promote equitable and efficient use of fishery resources. The first of these objectives is to provide economic and community stability to the harvesting and processing sectors through fair allocations. The second objective is to maintain the license limitation program and further decrease excess capacity by eliminating latent licenses, as well as extending that program through community and rights-based management, as appropriate. The last objective is to develop measures that, when practicable,

⁴ The use of the term "rights-based" could be read to suggest that the shares under such a program are a right, rather than a privilege. Since fishing permits are a privilege, this paper does not use the term rights-based elsewhere. As noted previously, these programs are defined by the Magnuson Stevens Act as "limited access privilege programs". The terms limited access privileges and catch shares are used interchangeably in the remainder of this document.

consider efficient use of resources taking into account the interests of harvesters, processors, and communities. Depending on whether the Council's proposed action allocates shares (either for PSC or for target species), these objectives may be relevant.

Both the Magnuson Stevens Act and the Gulf FMP contain a number of potentially relevant management objectives for this action. Foremost, both sources of management objectives provide that PSC reductions should be achieved to the extent practicable. The Council's management objectives suggests that these bycatch reductions should be pursued. Both sources also prescribe that management should achieve optimum yield, meaning that the action should yield the greatest National benefit. Further direction is provided that the optimum yield be based on maximum sustainable yield reduced to address economic, social, and ecological factors. Efficiency is also a prominent consideration under both the Magnuson Stevens Act national standards and Gulf FMP management objectives. Both efficiency and cost minimization are considerations; however, these considerations must be balanced against other objectives, including social and community considerations.

The Gulf FMP objectives suggest that specific management measures be considered, including geographic and seasonal limitations and catch share and community-based management programs. If the Council elects to consider a catch share (or limited access privilege) program, a number of more specific considerations are relevant. Harvest histories, investments in and dependence on the fishery, harvesting and processing employment, and sustained participation of small owner-operated vessels and dependent communities must all be considered. The program must promote safety, and social and economic benefits, as well as reduce capacity in any fishery that is found to be overcapacity.

Given the breadth of potential considerations, the Council could advance its action substantially by defining its purpose. Doing so will aid by focusing its discussions on relevant issues and factors that can shape its alternatives.

4 Possible management programs

A variety of different management tools or programs have been suggested to provide fishery participants with the ability to address PSC reductions. In some cases, these management measures may aid participants in adapting to reductions in the available PSC. In some cases, the measures may create incentives for participants to reduce PSC usage or PSC rates. These incentives may arise when limits are constraining or when limits are not constraining. The discussion of measures in this section examines each of these possible attributes, as well as other effects of the management measures. The discussion also examines some of the legal and policy barriers that may need to be overcome, should the Council wish to pursue the management measure. The discussion gives particular attention to the potential objectives for the Council's action identified in the preceding section.

Bycatch cooperatives (without share allocations)

As part of an earlier action to set Chinook PSC limits in the Gulf of Alaska pollock fisheries (Amendment 93), the Council considered the development of Chinook PSC cooperatives. Cooperatives would be intended to facilitate a coordinated effort among participants in the fisheries to avoid Chinook salmon. The Council evaluated an alternative where cooperative membership would be required for participation in the Gulf pollock fisheries. The alternative included options that would require at least one-quarter of the active participants in the pollock fishery for cooperative formation. If multiple cooperatives formed, those cooperatives would be required to have an intercooperative agreement, which would be used to ensure that the Chinook avoidance measures adopted by a cooperative would not disadvantage that cooperative's members relative to the members of other cooperatives.

The approach embodied in the cooperative structure is premised on two characteristics of Chinook avoidance efforts. First, information sharing is believed to be critical to Chinook avoidance. Participants in the fishery could share information concerning Chinook avoidance measures, as well as information concerning the timing and location of Chinook bycatch to allow scheduling of fishing activity to avoid Chinook. To form an effective cooperative for Chinook avoidance would require a substantial share of the participating vessels. Second, the incentive to avoid Chinook salmon could be reduced considerably, if Chinook avoidance is not mandated for each participant. Most Chinook avoidance measures are likely to reduce catch rates. For example, if a vessel delays fishing or moves from an area of relatively high Chinook catches, that vessel would lose fishing time relative to other vessels that might choose not to alter their fishing. A structure that allows for multiple cooperatives is believed to allow for more experimentation with Chinook avoidance measures. Consequently, the options defining a threshold for cooperative formation were low enough to allow multiple cooperatives to form. To maintain the incentive for experimentation, the alternative required that the cooperatives develop an intercooperative agreement. The intercooperative agreement would provide each cooperative with the opportunity to negotiate terms that would allow it to pursue Chinook avoidance measures without compromising its members' opportunity in the fishery.

In considering the alternative, NOAA Fisheries suggested that, given the mandatory cooperative membership, in the absence of specific approval of annual cooperative contracts and any penalties for violations of those contracts, NMFS' management authority over the fishery may not be adequately maintained. In essence, allowing cooperatives to define certain management measures and define and enforce penalties for failure to comply with those measures, without agency oversight could be considered a delegation of management authority in the fishery. Specifically, annual cooperative formation approval would require that NMFS review each contract and make an independent assessment of whether 1) the Chinook avoidance measures proposed are permitted measures (as defined by the cooperative alternative) and, 2) those measures serve the intended bycatch control purpose. Whether these fact-based assessments can be completed in a timely manner that allows a cooperative to be approved prior to the fishery opening is uncertain.

A second issue certain to arise is that cooperative penalties would need to be administered in a manner that provides an opportunity for a hearing to contest. Certain of these notice and hearing requirements would likely apply to most standdown and financial penalties. The effectiveness of a cooperative might depend on a system of penalties that are efficiently and predictably administered. For example, a penalty for failing to suspend fishing in a hotspot could be a standdown. Such a penalty may not be consistent with NMFS' system of penalties, adding substantial uncertainty concerning the consequences of failing to comply with a cooperative measure. In addition, imposition of the penalty could be delayed, as its imposition is likely to require compliance with NMFS administrative processes. These delays may make time sensitive penalties (such as standdowns) wholly ineffective. Monitoring by the cooperative might also need to comply with NMFS' standards for penalties to be enforceable. Whether the benefits of a cooperative program could be achieved, given these requirements is questionable.

Another solution was also discussed that would allow fishing outside of a cooperative. Under other cooperative programs created by the Council, eligible permit holders are able to participate in a fishery outside of a cooperative under an alternative management structure, such as individual fishing quotas or a limited access fishery. The Council elected not to develop such an alternative, as doing so would likely have required extensive analysis over the course of multiple meetings, which would have delay implementation of the Chinook PSC limit.

The specific requirements for fishing outside of a cooperative should balance that opportunity against the cooperative fishing opportunity in a manner that allows cooperatives to achieve their objective. Under this approach, a cooperative could be required to adopt certain measures, such as a system to share timely PSC information among members, limitations on fishing in identified hot spots, gear use and fishing

practice requirements, vessel performance rewards or penalties, and contract monitoring and administration requirements. Participants who chose not to join a cooperative would be permitted to fish, but would be subject to other rules intended to reduce PSC while retaining a reasonable fishing opportunity. The difficulty in the development of a non-cooperative fishing opportunity (in comparison to other cooperative programs) is the absence of allocations of harvest shares. In other programs, eligible vessels are permitted to fish their allocations either in a cooperative, as an IFQ, or by pooling the allocation with allocations of others in a limited access fishery. Although limited access participants confronted uncertainties from that type of management, the allocations defined the non-cooperative fishing opportunity. Without allocations, the Council must attempt to balance the fishing opportunity in a cooperative with the opportunity outside of a cooperative through other measures (such as standdowns or other effort or catch limits).

The complication arises from uncertainties and the likelihood that additional information will be developed concerning bycatch over time. If the Council anticipates certain bycatch efforts from cooperatives, it could adopt specific management measures that balance the cooperative fishing opportunity with the opportunity outside of the cooperative. Yet, bycatch measures and their effects on performance in the fishery are likely to change over time. For example, a cooperative may choose to have its members standdown when certain bycatch levels are reached. If bycatch rates fluctuate annually, the tendency to reach those limits and impose standdowns on members will change. In other words, measures intended to provide reasonable fishing opportunities for non-cooperative members are likely to constrain their catches more some years than others. More problematic is that the opportunity to fish may be greatest for these non-cooperative vessels in years of high bycatch. Assuming non-cooperative vessels fish during a portion of the cooperative's standdown (or in areas closed under the cooperative agreement), non-cooperative vessels will likely catch more of the available target species and use more of the available PSC. Clearly, if cooperative PSC avoidance measures change over time (in a manner that either allows the cooperative to fish more rapidly or slowly) the balance of fishing opportunities will change.

The previous action considered by the Council involved only Chinook PSC avoidance in the pollock fishery. If the Council elected to pursue bycatch reduction through a bycatch cooperative structure for this action, a system would need to be developed to address halibut and Chinook PSC in a variety of different target fisheries throughout the year. The development of both a reasonable cooperative structure and a reasonable non-cooperative fishing opportunity should be expected to be substantially more complex.

Whether a bycatch cooperative structure could be developed that would effectively minimize bycatch and provide for harvest of the optimum yield is not certain. Ineffective measures in the non-cooperative fishery could result in excessive PSC that result in an earlier closure. Effects on efficiency and costs would depend on the specific measures required of cooperatives and measures applicable to the non-cooperative fishery. Whether such a system could be successfully developed depends on whether measures that achieve PSC reductions can be defined for both cooperatives and the non-cooperative fishery, which provide reasonable fishing opportunities in to both segments, given the complexities and uncertainties concerning PSC rates in the various fisheries in the Gulf.

Bycatch quotas

A few different types of allowances could be considered bycatch quotas. First, and most directly, the establishment of allowances that create a specific exclusive, individual limit PSC would be considered a bycatch quota. Alternatively, these allowances could be annually allocated to vessels or to cooperatives. As a starting point, the potential of these allocations to address reductions in available PSC and to effect further PSC reductions should be considered. Although bycatch quotas are included in several

management programs that also allocate target species, no known programs allocate exclusively bycatch (or PSC) quotas.⁵ Consequently, any consideration of the effects of these quotas is somewhat speculative. Bycatch quotas would be intended to provide a participant with an exclusive and limiting share of the available PSC. The participant could then choose what species to target, when, where, and how, to attain the greatest value of catch subject to the constraint of the bycatch quota. In the absence of constraining limits on target species, these allocations are likely to allow each participant to achieve the greatest value in the fishery, given a limited quantity of permitted PSC. In other words, as long as unlimited quantities of target species are available, bycatch quotas may effectively allow participants to respond to more constraining limits on PSC; however, if target species are limited, simple bycatch quotas alone (without target species allocations or other program attributes) are unlikely to aid participants in responding to those lower PSC limits. To attempt to address this shortcoming, one must understand the nature of the problem.

When target species are limiting, a participant with a bycatch quota will face a choice in determining a level of PSC avoidance. Knowing that the target species TAC will be constraining, the participant must decide whether rapidly harvesting the target species (and using more bycatch quota in the process) will increase the participant's share of the available target species sufficiently to justify forgoing future fishing because of the potentially constraining bycatch quota allocation. For example, in the Gulf, some participants may choose to fish Pacific cod only during the A season.⁶ When deciding on fishing practices, these vessels will decide whether greater profits can be attained by fishing with a relatively high PSC rate to attain a greater share of the limited A season Pacific cod TAC or saving PSC by adopting fishing practices that will result in lower catches and transferring unused PSC to another participant for use later in the year. Vessels that fish later cod seasons will need to balance the value of more rapidly using their PSC to obtain a larger share of the A season Pacific cod TAC against lower A season Pacific cod catches and a greater quantity of PSC in later seasons. If A season Pacific cod generates relatively high profits in comparison to other seasonal and species targets, vessels are likely to be willing to use more PSC to obtain a greater share of the available A season Pacific cod. In other words, a race for fish (A season Pacific cod) may result despite the bycatch quotas. In this race, participants do not disregard PSC rates, but choose a PSC rate that sacrifices PSC quota at a rate that equalizes the difference between profit attained from the additional share of the A season Pacific cod and the profit derived from the use of PSC for harvest of less valuable species later.

To address this shortcoming, the Council could consider developing annual redistributions of bycatch quotas based on PSC performance. In the simple example described above, the Council could consider an annual adjustment to PSC allocations based on a vessel's performance in a fishery. So, a vessel that disregarded PSC rates in the first season to obtain a greater share of that season's Pacific cod would receive a smaller allocation of PSC in the following year. Whether such a program would function effectively would depend on the ability of the Council to fairly weight PSC performance, in a system that creates reasonable incentives for PSC avoidance. Improperly weighting performance may create incentives for participants to deploy fishing effort (or withhold effort) simply to manipulate competitors' PSC apportionments. While development of specific methods of apportioning PSC will be needed to assess these effects, the potential for a system to allow for these manipulations must be considered.

⁵ As noted in a previous discussion paper, the only known instance of bycatch quota allocations in the absence of target allocations is the allocation of dolphin allowances, as a part of efforts to reduce dolphin mortality in the Eastern Pacific tuna fisheries. In that program, a fleetwide limit on dolphin mortality is apportioned among vessels, with each receiving an equal share of the total limit. Each vessel fished subject to its individual non-transferable dolphin mortality limit, which required the vessel to suspend fishing for the season once it reached its limit. Although these dolphin limits are bycatch limits, they are limits of a different type from the limits on bycatch (e.g., marine mammals) than limits that might be proposed by the Council to address halibut PSC or Chinook PSC.

⁶ It should be noted that developing seasonal bycatch quotas may have a similar effect. If seasonal bycatch quotas are not binding (or are perceived as not binding), participants can be expected to race for a share of the available target catch with limited (or less) consideration for PSC rates.

Additional complexity will arise when considering the number of fisheries and sequence of seasons, whether and how interactions occur across fisheries and seasons will be a consideration for any reapportionment. Developing a system that creates reasonable incentives to avoid PSC at all times could be challenging. In addition, any reapportionment based on performance will pose some implementation challenges. NOAA Fisheries will need to develop a system for administering apportionments, which will necessarily require an application and appeals processes. These added burdens suggest that adjustments to apportionments should occur over a period of years, rather than annually.

An alternative may be to provide for incentive plan agreements (similar to those created by the Bering Sea pollock fisheries). In that program, cooperatives that form incentive plan agreements that create incentives for Chinook PSC avoidance at all times are subject to a higher PSC limit. In considering this alternative, it should be noted that Bering Sea pollock cooperatives are formed to receive an allocation of Bering Sea pollock. Whether such a structure of multiple cooperatives could be used to create incentives to avoid halibut PSC in several target fisheries over several seasons without exclusive target allocations is questionable. Under such a structure, if multiple incentive plans are permitted, it is possible that cooperatives will each have an incentive to maintain the minimum necessary measures to improve members' catch in the most profitable target fisheries.

As should be apparent, a variety of incentives arising under bycatch quotas could affect the ability (or tendency) of the fleet to achieve optimum yield. In other words, the potential of participants to adjust effort to attain individual profits could lead to fish being unharvested because of relatively higher PSC usage. Whether optimum yield would be affected would depend on the structure of incentives for PSC savings in any reallocation. In addition, the management program should consider efficiencies and costs and should accommodate variations in fishery resources and catches (both within and across the different fisheries). Depending on the program's structure, potential effects on the distribution of catches across communities and time may also be relevant, as changes in these distributions are likely to affect employment in processing and support businesses.

Development of a system of bycatch quotas will require that the Council follow the process for the development of limited access privileges. Any such program would need to promote safety, conservation and management, and provide social and economic benefits. Any allocation of limited access privileges would need to be "fair and equitable" and would need to consider of a number of factors including current and historical participation and dependence on the fishery, as well as effects on communities, crews, and entry to the fishery. Distribution of these quotas could be determined based on a variety of criteria. For example, each LLP license holder in the Gulf could be 1) apportioned the same number of allowances each year; 2) apportioned a number of allowances based on the vessel's historical PSC usage; or 3) apportioned a number of allowances based on the vessel's history in each fishery that uses PSC (with the apportionment based on the relative PSC rates in those fisheries. Rules governing or prohibiting transferability would need to be considered, as well as limits on share use and holdings. Social and economic effects of the program on communities would also be a consideration.

Any system of bycatch quotas would also require consideration of modifications to monitoring. In trawl fisheries, the Council has typically required 100 percent observer coverage on catcher vessels and 200 percent observer coverage on catcher processors that participate in catch share programs. Under the revised observer program (which is scheduled to be implemented next year) observer coverage in the longline halibut and sablefish program could vary with operation type and vessel length. Depending on the timing of any action and progress relative to the development of electronic monitoring and its potential provide adequate management information, it may be possible to consider the use of electronic monitoring for some participants. Considerations of whether those levels of coverage are adequate for a different program would be needed, if the Council elects to advance a system of bycatch quotas.

Multispecies catch shares

As an alternative to bycatch quotas, it has been suggested that a multispecies catch share (i.e., rationalization) program might provide participants with improved incentives for PSC reductions. These programs are identified in the Council's Gulf FMP for consideration and adoption (as appropriate) for accelerating the Council's precautionary, adaptive management approach. Under such a program, important target species and PSC species could be allocated with all allocations binding. In other words, once a participant has fully used an allocation, the participant would not be permitted to fish. Individual or cooperative allocations could be used; however, the program development should consider the potential for improved bycatch performance that might be possible by communication and coordination under cooperative structures.

A multispecies catch share program might be preferred, as a vessel that has exclusive allocations of both target species and PSC will have no need to race to protect its share of the catch of target species. In addition, as long as PSC has a known potential to constrain harvests of a target species at the end of the year, reductions in PSC usage will have value. Under Amendment 80, this value is derived from both harvests of allocated target species (e.g., yellowfin sole and Pacific cod), as well as unallocated target species (e.g., Kamchatka flounder and Alaska plaice). In Gulf fisheries, a program that includes target allocations of Pacific cod and rex sole, as well as halibut PSC, could be effective at creating an incentive for maintaining low PSC rates, provided that either one of the target allocations is not binding (prior to a halibut limit being reached) or other desirable target species (such as shallow water flatfish) are available for harvest with any PSC remaining after the two target allocations are fully harvested.

Although such a program provides a clear incentive for participants to reduce PSC rates, it may not provide incentives for reducing total PSC usage. Specifically, as long as valuable targets remain available (whether allocated or not), participants may have an incentive to reduce PSC rates but also use all available PSC.⁷ A further consideration is that PSC avoidance may be minimal, at times when a PSC limit is perceived as unlikely to be constraining. For example, the analysis of Gulf Chinook PSC limits for the pollock fishery suggests that historical PSC rates may not result in those limits constraining in years of low PSC rates. If those limits are apportioned among individuals or cooperatives under a catch share program, it is possible that in years of low Chinook PSC, vessels may give little consideration to Chinook PSC avoidance, particularly if no other target species are available that require the use of available PSC apportionments. It may be possible to incorporate some elements into the program to address these issues. For example, in the Bering Sea pollock fishery, cooperatives receive a higher Chinook PSC limit by joining an incentive plan agreement that includes provisions that create an incentive for reducing PSC at all times. The larger apportionment creates an incentive for vessels to enter an incentive plan agreement; however, plan members must meet a performance standard that is lower than the larger apportionment in 5 of 7 years to continue to have access to the larger apportionment. The Council could consider developing a system of incentives to ensure that participants have incentives to avoid PSC regardless of whether limits are likely to be constraining. Multispecies catch share programs tend to achieve production efficiency and cost minimization goals; yet, to achieve broader economic efficiency and optimum yield goals (which include social and distributive considerations) require more careful program designs. These aspects of the program might be best considered in the context of the Magnuson Stevens Act's provisions on limited access privilege programs, which apply to catch share programs.

Provisions governing the development of limited access privilege programs, together with the complexity of issues likely to arise, may be substantial challenges. As noted previously, the program must promote safety, fishery conservation and management, and social and economic benefits, and must reduce capacity in any fishery that is found to be overcapacity. Any allocation under such a program must be fair and

⁷ Some participants may argue that full use of PSC is appropriate, if limits are reduced as is currently under consideration.

equitable considering both current and historical harvests, and must consider harvesting and processing employment, investments and dependence on the fishery, and current and historical participation of fishing communities. These broad considerations would require that the Council consider not only the direct effects of the distribution of shares under the program, but also the effects of the share distribution on the distribution of landings.⁸ The program should also provide for the sustained participation of small owner operator vessels and dependent communities, as well as the interests of captains and crew. A policy on share transfers must be developed, along with provisions that prevent excessive consolidation of harvesting and processing and geographic consolidation in the fishery. Lastly, an appropriate monitoring program would need to be developed for the program.

Fixed closures

The Council has a history of relying on area closures to address bycatch issues. The Gulf FMP specifically identifies area closures as an appropriate tool for bycatch control. Among area closures advanced by the Council are the recently adopted areas closed to protect *C. bairdi* off Kodiak. The trawl closures to protect king crab off Kodiak show further variety of closures used by the Council. Some area closures are year round, in areas of relatively high king crab abundance; others, in areas of lower abundance, are seasonal; and another set of closures are periodic, only during specific recruitment events. The Council has also used trigger closures. In the Bering Sea, the Council identified Chinook Salmon Savings Areas, some of which closed only after a Chinook PSC threshold was reached. These areas were identified as areas with relatively high PSC rates, closure of which might mitigate PSC in years of high Chinook PSC. Similar area closures have been applied to protect crab in the Bering Sea.

The Council could consider fixed closures as a part of any measures to address bycatch. Areas with high PSC rates (either halibut or Chinook) that also have high target rates may appeal in a race for fish with no individual accountability for PSC. These areas may provide a competitive advantage to vessels that are willing to disregard PSC rates. If such areas can be identified and closed, it may be possible to prevent vessels from using these areas to gain an advantage in the fisheries. In considering whether closures might be an appropriate, the Council should consider whether areas of high PSC rates can be identified and whether closures of those areas will provide for reasonable PSC reductions and the efficient prosecution of the fishery. Closures could be annual, seasonal, or triggered by a PSC threshold being reached, depending on the PSC rates in the fishery. In considering whether to use closures to manage PSC, the Council should consider the degree to which those closures will reduce PSC.

A few limitations of fixed closures should be considered, if the Council wishes to advance an action establishing closures. Although closures may reduce PSC rates, they are unlikely to reduce the total amount of PSC used in the fishery or create incentives for PSC reduction. In addition, if areas of high PSC are variable, fixed closures may not effectively reduce PSC rates. Costs effects may also be a consideration. Any additional operating costs arising from closures should be balanced against their effectiveness in reducing PSC rates. If the closures can effectively and efficiently reduce PSC rates (allowing for more target catches in the fishery), fixed closures may increase total catch and improve returns from the fishery. As with some other measures, however, fixed closures do little to reduce overall PSC and do not create individual or vessel level incentives for PSC avoidance.

⁸ The Council should also consider any effects across the different sectors. While many of these disruptions may be avoided by the recent Pacific cod split, some disruptions may arise to the extent that redistribution of landings has spillover effects on different gear types or creates either competition for or gaps in landings that might be detrimental to other sectors or processors.

Rolling hotspot closures

Studies of the effects of a system of rolling hotspot closures implemented in the Bering Sea pollock fishery have suggested that that system has effectively reduced Chinook PSC in that fishery. A similar system could be considered for the Gulf fisheries. The rolling hotspot program uses weekly Chinook PSC information to identify hotspots (or areas of relatively high PSC rates). Cooperatives are closed out of these hotspot areas, with the size and term of the closure applicable to a cooperative based on the PSC performance of vessels in that cooperative. By scaling the closure to PSC performance, cooperatives have an incentive to maintain lower PSC rates to gain access to a larger portion of the fishing grounds.

An instrumental aspect of the Bering Sea program is administration of the closures through cooperatives (and an intercooperative agreement). As initially adopted, the program was an elective program that, if adopted by a cooperative, provided an exemption from the closures of the Chinook Salmon Savings Areas. As an incentive to avoid the more wide sweeping and imprecise closures of the Chinook Savings Areas, the cooperative would agree to implement an information sharing system to identify hotspots and monitor and enforce compliance with the program.⁹ Cooperative administration is critical to the program, as it avoids several administrative requirements that would arise from NOAA Fisheries administration. In essence, the flexibility of rolling hotspot closures requires cooperative administration. As discussed previously, a system of cooperative administration could be developed as a part of either a mandatory bycatch cooperative program or a catch share program. Since these two management systems are discussed above, only the aspects relevant to a rolling hotspot closure system are discussed here.

To develop a bycatch cooperative program for implementation of a rolling hotspot system, the Council would need to identify an alternative system of fixed closures that would be the alternative to the cooperative administered hotspot closures. If a system of defined fixed area closures were to be developed, it may be possible to include a rolling hotspot component in the program. The development of a catch share program (either bycatch quotas or target and bycatch quotas) will require the Council to undertake all of the considerations prescribed under the Magnuson Stevens Act for a limited access privilege program. In considering whether to include a rolling hotspot component as a part of another program, the Council should consider that target allocations in a catch share program secure target catches, thereby improving the incentive for greater experimentation in the rolling hotspot program, which ultimately may contribute to its success. In a bycatch cooperative program (without any allocations or with only bycatch allocations), participants will have an incentive to structure their hotspot closure program to ensure that target catches are not sacrificed by PSC closures.

5 Conclusion

As the Council has undertaken efforts to reduce Chinook and halibut PSC in the Gulf of Alaska fisheries, participants in those fisheries have suggested that the current management is an impediment to achieving those reductions without substantial cost to participants. This paper identifies possible objectives that may be advanced should the Council elect to advance an action to provide Gulf participants with additional management tools to aid in their compliance with PSC reductions. In addition, the paper briefly reviews a variety of management measures that could be considered with particular attention to their potential for meeting possible Council objectives. The Council could consider development of objectives, as well as general management measures that it might wish to consider to address PSC reductions in the Gulf. The Council could also consider identifying a process for further defining alternatives, if it elects to advance an action.

⁹ Currently, rolling hotspots are incorporated into the incentive plan agreements, as most participants believe they effectively address Chinook PSC and create vessel level incentives for Chinook avoidance; however, rolling hotspots are no longer required by regulation.

Appendix – Summary of management programs affecting PSC use

Introduction

This appendix summarizes several management programs implemented in Alaska that include components that affect participants' use of prohibited species catch. The summaries give particular attention to regulatory reductions in PSC limits and incentives affecting participants use of PSC, including incentives that arise even when the PSC limit is unlikely to constrain the fishery.

The following programs will be addressed:

- Cooperative Management of Non-AFA Trawl Catcher Processors under Amendment 80 to the BSAI Groundfish Program
- Cooperative Management of Rockfish in the Central Gulf of Alaska
- Voluntary Rolling Hot Spot Closures in the Pollock Fisheries of the BSAI
- Incentive Plan Agreements in the Management of Chinook Salmon Bycatch in the Bering Sea Pollock Fishery

Cooperatives of Bering Sea and Aleutian Islands non-AFA trawl catcher processors under Amendment 80

Amendment 80 was implemented in 2008 and creates a limited access privilege program to facilitate the formation of harvesting cooperatives by vessels in the Bering Sea and Aleutian Islands non-American Fisheries Act trawl catcher/processor sector. Under Amendment 80, the sector receives a large majority of the total allowable catches of Atka mackerel, Pacific ocean perch, flathead sole, Pacific cod, rock sole, and yellowfin sole, based on its historical dependence on those species. In addition, the sector receives limiting apportionments of the available halibut, red king crab, *C. opilio*, and *C. bairdi* PSC, based on historical usage rates in the target fisheries.,.

The program allows eligible vessels to form cooperatives or fish in a limited access fishery. Exclusive allocations of each groundfish species and PSC apportionment are made annually to each cooperative based on the histories of its member vessels. Similarly, allocations of those species are made to the limited access fishery based on the histories of vessels that choose not to join a cooperative. Harvests of each cooperative are made under the terms of the cooperative's agreement. Cooperatives (typically through a manager) oversee harvests of the allocations to ensure that no limits are exceeded. To optimize harvests and revenues of members, a cooperative is free to internally manage harvests of its allocations by member vessels and trade allocations with other cooperatives. Vessels that choose not to join a cooperative are eligible to fish in the Amendment 80 limited access fishery, but must compete in a race for fish for a share of available harvests (using the available PSC) with other Amendment 80 vessels that chose not to join a cooperative. An limited access fishery operated in the first two years of the program, but since 2010 all participants opted to join one of two cooperatives that have formed.

Although Amendment 80 allocates the sector its most important target species, historically the sector's members have targeted (and harvested) a number of other species (such as arrowtooth and Kamchatka flounder, Alaska plaice, Greenland turbot, and Northern Rockfish). Harvests of these species by an Amendment 80 vessel is permitted under the program, provided the vessel has not exceeded any applicable allocation. In addition, harvests of any allocated species and any PSC made while targeting these unallocated species is counted toward the cooperative or limited access allocation applicable to the vessel.

Two reductions in halibut PSC are prescribed by Amendment 80. The first reduction is made by reducing the amount of halibut PSC apportioned to the sector by 250 metric tons from historical usage.¹⁰ This reduction was phased in from 2008 to 2012, in 50 mt increments, starting from a 2,525 mt apportionment to the Amendment 80 sector in 2008. The second reduction is achieved through a reduction of inseason rollovers to the Amendment 80 sector. Currently, 875 mt of halibut PSC are apportioned to trawl limited access fisheries in the Bering Sea and Aleutian Islands (i.e., non-Amendment 80 fisheries). Under the Amendment 80, NMFS is authorized to rollover halibut and crab PSC (as well as AM80 species) apportionments from this limited access trawl fishery to cooperatives in the Amendment 80 sector, if it appears the trawl limited access fishery will not use those apportionments. Rollovers of halibut PSC are reduced by 5 percent, with that reduction remaining unavailable (or in the water).¹¹

One of the benefits of Amendment 80 is that it creates incentives for cooperatives to optimize the value of their harvests from a limiting PSC apportionment. This incentive materializes because each cooperative receives exclusive allocations of target species and PSC, which allow it to determine how best to use those allocations over the entire year.

In a race-for-fish, a vessel cannot be assured that sequential plans for targeting on a species by species basis will not be thwarted by the actions of other vessels. Thus, each vessel will tend to maximize net revenues by harvesting the highest value target available at any given point in time. In these circumstances, less regard may be given to PSC rates, particularly if PSC avoidance reduces catch rates of a target species that is likely to close as a result of either a constraining TAC or a constraining PSC limit.

An example is useful for illustrating the difference in incentives. Consider a limited access fishery for Pacific cod in which the available TAC is always fully harvested. The fishery uses PSC, but never reaches the available PSC limit. If a vessel is able to increase its catch rate noticeably by adopting a fishing practice that uses slightly more PSC, the vessel is likely to adopt that practice. Now consider that the unused PSC from this Pacific cod fishery is available to support a later Pacific fishery that typically closes based on full usage of available PSC (including any PSC rolled over from the prior season). In the absence of any fleet agreement, an individual vessel operator remains likely to adopt a fishing practice with a relatively high Pacific cod catch rate and PSC rate in the first season to secure a larger share of the available first season Pacific cod, despite an interest in having more catch in the second season. This incentive to disregard PSC rates arises because the vessel must share all of its first season PSC savings with vessels that elect to fish in the second season.¹²

If instead a cooperative receives an exclusive allocation of Pacific cod and PSC, a vessel may choose to adopt fishing practices that reduce PSC usage, provided that PSC savings provides a later benefit. Continuing with the example, the vessel operator that receives an exclusive allocation of Pacific cod and PSC will choose to adopt fishing practices to reduce PSC early in the year, as long as the cost of those efforts is less than the additional profits from the Pacific cod catch that may be made with the PSC savings. These incentives for PSC savings apply generally across all the allocated species and appear to have affect PSC usage in the fisheries (see Table 1). These reductions may be moderated somewhat, as the Amendment 80 fleet was already putting substantial efforts into reducing PSC rates prior to implementation of Amendment 80.

¹⁰ Of this 250 mt reduction, 200 mt remains in the water, while 50 mt was shifted to CDQ fisheries, beginning in 2010. This results in an overall reduction in halibut PSC available to the trawl sector in the Bering Sea and Aleutian Islands from 3,675 mt (originally adopted in 1999) to 3,475 in 2009 and thereafter.

¹¹ Similar reductions are not built in to rollovers for other AM80 species or for crab PSC.

¹² It should be noted that a similar incentive may arise if the PSC limit is binding, but the Pacific cod TAC is not. In that case, a vessel may be able to increase its seasonal catch by disregarding PSC rates, if PSC avoidance reduces catch rates for target species. Although the catch rates, PSC rates, and number of participating vessels will affect the incentives, generally speaking, PSC avoidance will only be adopted, if it is agreed to by a large enough portion of the fleet that vessels that do not adopt PSC avoidance have a small negligible effect on the distribution of catches.

The incentives for PSC savings may also apply to unallocated species. For example, a vessel may be expected to reduce PSC usage in the Pacific cod fishery to allow it to catch additional arrowtooth flounder, provided the cost of the PSC savings is less than the net revenues realized from the arrowtooth flounder catch. Unallocated species include northern rockfish, Greenland turbot, Alaska plaice, or arrowtooth flounder. The ability to target these unallocated species can be seen as an incentive to reduce PSC while fishing for Amendment 80 allocated species. If a vessel is able to reduce their PSC in the allocated fisheries, then they could have some PSC to use in these unallocated fisheries.

While harvest decisions in the fishery are complicated, as catch rates, PSC rates, and fish quality and price vary throughout the year, the incentive for PSC reductions arising out of the constraining PSC allocation and available catches of marketable species remains. Discussions with Amendment 80 participants have revealed that at least some are not using complex mathematical models to plan out their fishing year to maximize net revenues while staying with the constraints of their target species and PSC apportionments. It is also clear that while not all operators are using these types of models, most, if not all, are trying to determine how to get the most revenue out of their limited resources without concern about whether other operators will negatively affect their own initiatives.

Table 1. Metric tons of halibut PSC per metric ton of groundfish by target prior to and after amendment 80

Target	Pre-Amendment 80		Under Amendment 80	
	2005	2006	2010	2011
Pacific cod	0.020	0.020	0.007	0.003
Flathead sole	0.011	0.016	0.008	0.009
Rock sole	0.020	0.018	0.013	0.007
Yellowfin sole	0.007	0.004	0.007	0.006

Source: NMFS catch accounting.

Cooperatives in the Rockfish fishery in the Central Gulf of Alaska

Following a U.S. Congressional directive, in 2005, the adopted the rockfish pilot program, a share-based management program under which a large portion of the available catches of Central Gulf of Alaska target rockfish species are apportioned as exclusive shares to cooperatives, based on the catch history of the members of each cooperative. Although originally subject to a sunset of 2 years, the 2007 reauthorization of the Magnuson-Stevens Fishery Conservation and Management Act extended the term of the program to 5 years. Prior to the 5 year term, a revised rockfish program replacing the rockfish pilot program was designed and implemented.

The Central Gulf of Alaska rockfish pilot program was developed by the Council based on a congressional directive. The program was developed as a cooperative management program in which qualified participants received allocations of three rockfish species in the Central Gulf of Alaska: Pacific ocean perch, northern rockfish, and pelagic shelf rockfish. Allocations under the pilot program were divided between the catcher vessel sector and the catcher processor sector, based on historical catches of the participants in these respective sectors. In addition, each sector was allocated important incidental catch species (i.e., sablefish, Pacific cod, and shortraker and rougheye rockfish and thornyheads) based on the historical harvests of the sector. Two exceptions are that Pacific cod is not allocated to catcher processors and shortraker and rougheye rockfish is not allocated to catcher vessel cooperatives, but are instead managed under reduced MRAs. Those historical allocations were believed to be overly constraining suggesting that the fishery could be more effectively prosecuted under reduced MRAs.

Under the program, participants in each sector were allowed to either fish as part of a cooperative or in a competitive, limited access fishery. Each cooperative received allocations of target rockfish, secondary species, and Pacific halibut PSC from the sector's allocation based on the target rockfish catch histories of

its members. Cooperatives managed and coordinated fishing of their allocations. All allocations to a cooperative are constraining, so a cooperative must manage and monitor members' catch of target rockfish, allocated secondary species, and halibut PSC, to ensure that it is able to fully harvest (but not overharvest) its allocations.

Under the pilot program, the catch of cooperatives is not only limited by primary and secondary species allocations, but also by allocations of halibut PSC. Halibut allocations under the pilot program were based on historic catch of halibut in the rockfish fishery. In addition, to create an additional incentive for halibut savings in the rockfish fishery and to provide for greater prosecution of late season fisheries, unused halibut PSC apportioned to rockfish cooperatives was made available in the last season halibut apportionment in November, after the rockfish fisheries closed. Halibut usage in the rockfish fishery declined to less than half of historical levels under the pilot program. Cooperatives are reported to have had agreements to increase incentives for halibut PSC reductions, in part, to maximize the amount of halibut available for late season fisheries.

In redefining halibut PSC apportionments under the new program, the Council saw the opportunity to realize halibut savings while maintaining the incentive to limit halibut PSC use in the fishery. To achieve this goal, under the rockfish program, halibut PSC allocations are based on 87.5% of the historic catch of halibut in the rockfish fishery. In addition, 55% of any halibut PSC that has remained unutilized by November 15 will be added to the last seasonal apportionment of halibut PSC for trawl gear, while the remaining 45% will remain unavailable.

As demonstrated in the rockfish pilot program, the allocation of halibut PSC provided incentives for participants to conserve their halibut PSC. Exclusive allocations allowed vessels to move from areas of high halibut catch without risking loss of catch in the fishery. These exclusive allocations, together with cooperative oversight, resulted in increased communication among rockfish participants concerning catch rates, improving information concerning areas of high halibut incidental catch in the fleet and preventing repeated high halibut mortality among vessels exploring fishing grounds. In addition, several vessels began employing new pelagic gear that limited bottom contact and halibut incidental catch. Participants in the rockfish program reported that a primary motivation for these changes in gear types was the constraining halibut allocations, which could jeopardize cooperative catches in the event that halibut bycatch exceeds allocations. The rollover to fisheries late in the year ensured that these incentives continued, despite it being apparent that the halibut PSC apportionments would not constrain the fishery.

Voluntary rolling hot spot closures in the Bering Sea pollock fishery

The voluntary rolling hot spot closure program was developed to address an issue identified by the fishery participants with the preceding closure area management (the Chinook Salmon Savings Areas). In the mid-1990s, year round accounting of Chinook PSC and a system of Chinook Salmon Savings Areas (which are large area closures) were implemented. Savings areas were identified as areas of historical high Chinook PSC. If Chinook PSC in the Bering Sea pollock fishery reaches a threshold of 29,000 fish, these areas were closed to pollock fishing.

In 2004, information from the fleet suggested that the savings areas were not achieving their purpose, as PSC rates inside the areas appeared to be higher than PSC rates outside the areas. To address this problem, the Council developed an alternative, more flexible, management structure, the voluntary rolling hotspot program. Implemented in 2006, vessels that participated in an intercooperative agreement establishing a system of rolling hotspot closures are exempted from regulatory closures of the Chinook Salmon Savings Areas.¹³ The rolling hotspot exemption is intended to increase the ability of pollock

¹³ The fleet started the rolling hotspot program in 2002, but the regulatory structure establishing the exemption was not implemented until 2006 (through an exempted fishing permit) and in 2008 through an FMP amendment.

fishery participants to minimize salmon bycatch by giving them more flexibility to move effort from areas with recently observed high PSC to areas of recently observed low PSC (rather than follow the more rigid closures of the Chinook salmon savings area management).

The rolling hotspot closures are administered by cooperatives through a private contractor who monitors Chinook PSC. Cooperatives are assigned to different tiers based on their PSC rates (in comparison to a base rate). Tiers with lower bycatch rate are permitted access to a broad range of fishing grounds. Tier assignments are updated weekly, creating an ongoing incentive for PSC avoidance. Reports on Chinook salmon bycatch indicate that the rolling hotspot program has reduced Chinook salmon PSC. Studies of fishing under the exempted fishing permit generally concluded that Chinook PSC were reduced between 50 percent and 70 percent as a result of the closures. In addition, the relatively flexible structure of the program allowed participants to update the system as they gained experience. For example, closure areas were expanded and some areas were closed seasonally. Also, base rates were allowed to fluctuate to accommodate changes in PSC rates.

Incentive plan agreements

Despite the success of the rolling hotspots in reducing PSC rates, the relatively high amount of Chinook PSC in 2007 prompted the Council to take additional action to address Chinook PSC. The result is a management program that establishes Chinook salmon PSC limits intended to create incentives for Chinook salmon avoidance at all PSC rates. The program achieves this end by allowing cooperatives that agree to participate in an incentive plan agreement to fish under a higher Chinook salmon PSC limit. These incentive plan agreements are required to create incentives for avoidance of Chinook regardless of the amount or rate of Chinook PSC. The program also includes a performance standard requiring participants in incentive plan agreements to meet a lower threshold of Chinook PSC usage in 3 of every 7 years. The performance standard is intended to ensure that incentive plan members typically maintain relatively low PSC levels, accessing the higher apportionment only sporadically, in years of unusually high PSC.

To create incentives for PSC avoidance two of the current incentive plan agreements modify future Chinook PSC apportionments among plan members based on their previous years' PSC usage.¹⁴ Under this structure, even if PSC rates are low in a year (and PSC limits are not binding) a plan member has an incentive to maintain low PSC to receive a larger share of the plans apportionment as a contingency against possible higher PSC in future years. In addition, the all of the incentive plans include a hot spot closure system, which participants believe has effectively reduced PSC in the fishery. One agreement use a variation of the hotspot closures as its primary tool to create incentives for PSC avoidance. This system establishes area closures timed to avoid high PSC rates. Vessels with relatively high PSC rates are subject to greater restrictions, as they are prohibited from fishing in certain areas of reported high PSC.¹⁵ In addition, certain areas of historical high PSC are either closed during specific times of the year or closed, if high PSC rates are present in the current year.

Since the Chinook limits, performance standard, and incentive plan agreement structure have only been in effect for a single season, it is difficult to assess their success. The first year of the program had relatively low Chinook PSC, but the management structure may only be partially responsible for the low PSC.

¹⁴ The two structures differ, but share the common these of relying on a vessel's past performance to determine its future allocations.

¹⁵ Alternatively, systems under which NMFS makes PSC apportionments are based on fishery performance could be considered. As noted, agency administration of those apportionments adds a level of complexity due to procedural requirements. If agency administration is considered, changes in apportionments should likely occur less frequently than annually. Industry administration would allow considerably greater flexibility, including midseason adjustments to apportionments and inseason rewards and penalties.

Sources:

Bersch, F. Joseph III, Report to the North Pacific Fishery Management Council on the 2011 Bering Sea Pollock Mothership Salmon Savings Incentive Plan, March 28, 2012.

Gruver, John, 2011 Inshore Salmon Savings Incentive Plan Annual Report, submitted to the North Pacific Fisheries Management Council, March 28, 2012.

Madsen, Stephanie and Karl Haflinger, Annual Report on Catcher Processor Chinook Salmon Bycatch Reduction Incentive Plan for 2011, April 1, 2012.

National Marine Fisheries Service (NMFS), Environmental Impact Statement/Regulatory Impact Review/Regulatory Flexibility Analysis of Bering Sea Chinook Salmon Bycatch Management (December 2009)

North Pacific Fishery Management Council (NPFMC), Discussion paper on GOA Chinook Salmon Bycatch – All trawl fisheries, December 2011.

NPFMC/NMFS, Environmental Assessment/ Regulatory Impact Review/ Initial Regulatory Flexibility Analysis for Proposed Amendment to the Fishery Management Plan for Groundfish of the Gulf of Alaska Area Closures for *Chionoectes bairdi* Crab Protection in Gulf of Alaska Groundfish Fisheries, September 2010.

NPFMC/NMFS, Regulatory Impact Review/Environmental Assessment/Regulatory Flexibility Analysis for proposed Amendment 88 to the Gulf of Alaska Fishery Management Plan for Central Gulf of Alaska rockfish program, June 2010.

NPFMC/NMFS, Environmental Assessment/ Regulatory Impact Review/ Initial Regulatory Flexibility Analysis for the Allocation of Non-Pollock Groundfish and Development of a Cooperative Program for the Non-AFA Trawl Catcher Processor Sector, proposed Amendment 80 to the Fishery Management Plan for Groundfish of the Bering Sea and Aleutian Islands Management Area, May 7, 2006.

Subject: D-1 (a) Groundfish Issues

From: Darius Kasprzak <kas_dar@yahoo.com>

Date: 9/25/2012 2:18 PM

To: "npfmc.comments@noaa.gov" <npfmc.comments@noaa.gov>

For the Record: Testimony of Darius Kasprzak

Chairman Olsen, Council Members, and Secretary,

Over the past several decades, I have worked on at least 8 trawlers in the CGOA and personally discarded hundreds of thousands of pounds of bycatch.

I believe that accessible tools to mitigate trawl bycatch already exist in the toolbox.

These include restrictions on night fishing, horsepower, mesh size, overall gear size, and tow durations/speeds.

Bycatch reduction devices and trip landing/ catch limits should be considered.

The feasibility of Individual Bycatch Quotas, preferably non- tradable, to hold individual operators responsible for their prohibited species catch should be explored.

The gifting of privatized catch share quotas to historically high bycatch operations should be avoided. Privatization of a sector will lead to a rush to privatize the others. The ensuing vessel consolidation will lead to displaced vessels overcrowding the open access and entry level jig and State fisheries.

Thank you for your timely consideration of these matters.

Sincerely,

Darius Kasprzak



Gulf of Alaska Coastal Communities Coalition

PO Box 201236, Anchorage Alaska 99520

Phone: (907) 561-7633 Email: goaccc@alaska.net

RECEIVED
SEP 25 2012

September 24, 2012

North Pacific Fisheries Management Council
605 W. 4th Ave.
Anchorage, AK 99615

Re: Agenda Item D-1 (a) Feedback on goals and objectives on CGOA Trawl PSC tools.

Council Members:

The Gulf of Alaska Coastal Communities Coalition represents smaller fishery dependent coastal communities in the Central and Western Gulf of Alaska. Managing the Gulf of Alaska (GOA) trawl groundfish fisheries to reduce bycatch is a long term goal of these communities and we appreciate the Council's progressive efforts, over the last several years, to reduce halibut, crab and salmon bycatch. We remain convinced, however, that the Council still has a long way to go, particularly with regard to the 3.5 million pounds of annual halibut bycatch that will remain after implementation of the Council's recent action, to meet the spirit and intent of the national standard for bycatch reduction. It is with the goal of further bycatch reductions that the GOAC3 has generally supported the Council broad discussions regarding GOA trawl groundfish "tools".

The Council should note, at the outset of these discussions, that the overarching concern of the Gulf of Alaska Coastal Communities Coalition is to preserve trawl groundfish processing opportunities for rural communities. A number of our members have economic development plans in progress that will result in local seafood processing. It is important, perhaps critical, to the viability of remote processing to have opportunities to process a variety of species from various gear groups.

The GOAC3 has reviewed the goals for a Gulf of Alaska trawl groundfish management program as outlined in the joint Kodiak Island Borough and City of Kodiak resolution. (FY2013-10) While the Coalition can't entirely support the "Kodiak" only focus of these goals, we can strongly support the overall objectives of bycatch reduction, employment opportunities, value-added processing, entry level fishing and processing, economic stability, limited consolidation, active participation, equity and programmatic review. The Coalition encourages the Council to view these objectives as the starting point for Council action and incorporate them into the initial problem statement.

Thank you for your consideration of our comments regarding goals and objectives as you consider COA trawl bycatch tools.

Sincerely,
Robert Sanderson
Robert Sanderson, Chairman

Charles 'Chuck' McCallum
Chuck McCallum, Executive Director

September 25, 2012

Chairman Eric Olson
North Pacific Fishery Management Council
605 West 4th Ave., Suite 306
Anchorage, Alaska
99501

RECEIVED
SEP 25 2012

Mr. George Hutchings
Commercial Fisherman
P.O. Box 8242
Kodiak, Alaska
99615-8242

Via: email at npfmc.comments@noaa.gov.

RE: Agenda Item D-1(a), Feedback on goals and objectives on CGOA trawl PSC tools.

Mr. Chairman, members of the Council: for the record, my name is George Hutchings and I am a commercial fisherman out of Kodiak.

Thank you for this opportunity to comment on Agenda Item D-1(a), entitled "Feedback on goals and objectives on Central Gulf of Alaska (CGOA) trawl Prohibited Species Catch (PSC) tools," which refers to the discussion paper presented at the last Council meeting in Kodiak, "Measures to address Gulf Bycatch" (June 2012, Agenda Item C-1(c)). At that last meeting, the Council passed a motion to begin the process of developing a program to effectively manage, reduce, and account for bycatch that is appropriate for the unique Gulf groundfish trawl fleet.

At this meeting, as the Council discusses possible alternatives for analysis and a statement of purpose and need for this action, I ask that you hear me out and consider my comments to you, as a very concerned citizen and a long-time Alaska fisherman and resident.

When I first came to Kodiak in 1981, the opportunities available for a commercial fisherman were abundant. There was a huge small boat fleet that fished crab, halibut, salmon, and herring. Yet there were also small vessels that participated in the trawling, scalloping, and shrimping fisheries; to name a few, the fishing vessels the *Meridian*, *Sharon W*, *Heidi Kay*, and the *Rose-Ann Hess*.

With the privatization of fisheries—which are a public resource—scallops were followed by the implementation of halibut and black cod Individual Fishing Quota programs (IFQ), the king crab rationalization program in the Bering Sea ("crab ratz"¹), Gulf rockfish quotas for trawlers, and now a proposed program to privatize the Gulf trawl quota to match the American Fisheries Act program (that was implemented by a rider on an omnibus bill²), the devastation to the Kodiak fleet because of all these actions, and the devastation to the community, is very obvious to any long-term resident or Alaska fisherman.

¹ The Bering Sea and Aleutian Islands (BSAI) Crab Rationalization Program – i.e., "crab ratz." See <http://www.fakr.noaa.gov/sustainablefisheries/crab/crfaq.htm> (8/24/2012).

² The American Fisheries Act of 1998 was incorporated in the Omnibus Consolidated and Emergency Supplemental Appropriations Act of 1999 (Public Law 105-277).

In the Gulf rockfish fishery, the quotas are up yet the amounts I am allotted to catch under the rockfish pilot program are only about one third of the poundage before implementation of the program. With almost nine months, and over a decade of time to high grade fish in the halibut and black cod fisheries, the devastation is obvious to anyone. There are no "Number 2" fish coming to the dock, compared to pre-IFQs. I would love to see the difference in the percentage of Number 2 and "sandfleaed" fish, as well as average weight of individual fish landed, both pre-Gulf ratz and in the following decade. I am sure we would see only the prime fish bringing the top dollar in the years immediately following the implementation of the IFQ fishery being delivered to the dock.

The scallop fishery also has a much lower quota today. Once again, the players are very limited and able to save only the nicest size to shuck—and therefore bring top dollar—while returning smaller, less desirable scallops back to sea.³ Now with crab ratz in the Bearing Sea, there is no more dirty crab coming to the dock. If it does not command top dollar, it is discarded; once again, the same pattern. AFA quotas are also way down in the Bering Sea. We are now fishing stocks that, if allowed to live longer and grow up, would make it a sustainable fishery.

Yet we stand once again on this course, with the talk of catch shares for Gulf trawlers, privatization of a public resource, all in the name of bycatch conservation. I have a different course in mind: one that would include an individual bycatch quota (IBQ), yet exclude catch shares as currently envisioned. Such an approach will bring individual responsibility into the game. I would start with Gulf trawlers, then integrate the successful program into all gear types. It is my goal to one day see any discard of a resource illegal. Yet that is most likely not going to happen for a while, not until we begin down a path of individual responsibility.

I, along with a few other like-minded parties, have started a group called "Americans For Equal Access" (AFEA) and are currently working on comments to address the principles, objectives, and wording of a innovative IBQ fishery to bring forth to the North Pacific Fishery Management Council in October and future meetings. My idea is a bank of sorts, from which to draw individual PSC allotments, or IPSC.

If given my druthers, I would like to see each target species in the Gulf groundfish fisheries separated into an individual fishery, with a percentage of PSC divided and assigned to each species fishery.⁴ All PSC would then be put into a "PSC Bank" to be drawn on individually by vessels per fishery or per trip – their IPSC.

You would need to have your vessel in the central Gulf ready to fish, in order to acquire any IPSC from the bank. Vessels would report in weekly. When reaching 85% of your IPSC, you would be required to return to port and off-load. If you fish cleanly, you may keep fishing until the TAC is reached. If you go over your weekly quota, say at 5% increments, the repercussions would gradually worsen until you could no longer fish.

All PSC would be required to come to the dock unless discarded—alive—and counted under the direct supervision of an observer. Halibut can be returned alive, and crab and salmon. For example, all caught crab would be counted and if still alive, retuned to sea; if dead, the crab could be sectioned-off and iced, to be consumed. Bottom line: if fish can be retuned alive and counted,

³ The discard mortality rate is generally assumed to be 20% for non-target scallops captured but not retained (Scallop SAFE, March 2011, pg. 71).

⁴ The deep and shallow water complexes would also be segregated into separate quotas and PSCs allotments.

it must be; if not, it must come back to the dock to be consumed. 100% observer coverage would be required – the fleet's PSC would be sold to offset these costs.

These are just a few ideas I have, and I am looking for additional input from other trawlers, the AP, the Council, and any other interested parties. Thank you for this opportunity to be heard, and to participate in this discussion as we begin to formulate the analysis.

Thank you,
(signed)
George Hutchings

Commercial Fisherman
Kodiak, Alaska

First IFQ halibut delivery

Larry Reiser, left, and Harry Burnett, crewmen on the Kodiak Girl, are all smiles as they deliver the first halibut of the year.



Below, Skipper Randy Blondin, left, and Fisheries Enforcement Officer Gino Freselli watch as Larry Reiser steadies the first halibut delivered under the new IFQ program.



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

September 24, 2012

Re: Agenda item D-1(a) -- Feedback on goals and objectives on CGOA trawl PSC tools

Dear Chairman Olson:

I own and operate the F/V Excalibur II, which has been involved in GOA trawl fisheries for more than three decades.

As we are about to begin the D season pollock fishery, it is apparent that we do not have the means to address bycatch and PSC concerns with the current management system. Pulse fisheries allow no room for significant changes in locations, or gear modifications. We have tried voluntary catch share programs to allow enough time to respond to conditions on the grounds, but even these have become unworkable in light of new regulations such as the Chinook salmon cap, as well as an influx of boats into the Gulf to take advantage of the last major open access fishery on the West Coast. These problems will only be amplified when the halibut PSC reductions are instituted over the next few years. If the council imposes a proposed salmon cap on non-pollock fisheries we will have no effective means to respond to these new constraints.

I am asking that the council initiate a comprehensive program to rationalize the GOA groundfish fisheries and end the currently unmanageable seasons. The AFA and the Central Gulf Rockfish Program are good templates to use. Both programs have achieved the goals of giving fishermen the ability to reduce PSC catch, as well as better utilization of target species, a more stable and predictable fishery for processors and communities, and improved safety for the fleet.

The first step should be to set a solid control date, no later than this year, to end speculative fishing.

Please give us the tools that we need to build a healthy, responsible, and productive fishery in the Gulf of Alaska.

Sincerely,



Kent Leslie
F/V Excalibur II
Box 69
Kodiak, AK
99615

Table 2.1. - (source: PFMC, modified)

Bycatch Mitigation Toolbox

Harvest Levels

ABC/OY (Optimum Yield)

Trip Landing Limits

Catch Limits

Individual Quotas

Sector Allocations – if Economically
Efficient to CONSUMERS

Discard Caps (limits & prohibitions)

Gear Restrictions:

Trawl Mesh size
Footrope diameter/length
Net Height
Codend mesh & dimensions
Design: on-bottom or pelagic
Bycatch reduction devices (BRDs)

Line Number of hooks

Hook sizes

Line length

Retrieval requirements

Pot/Trap Number of pots

Pot size

Escape panel in net/pots

Retrieval requirements

Other Setnets (gill and trammel nets)

Time/Area Restrictions

Seasons

Area Closures

Depth Closures

Marine Reserves

Capacity (number of participants)

Permits/licenses/endorsements

Limited entry

Capacity (Vessel Restrictions)

Vessel size

Engine Power

Vessel Type

Monitoring/Reporting Requirements

Permits/licenses

Registrations

Fish Tickets (commercial landings/
sales receipts)

Vessel Logbooks

Surveys – incl. new Specified to
evaluate measures of Tools

Punch cards/tags (recreational)

Port sampling/on-shore observers

On-board observers

Vessel monitoring systems (VMS)

Onboard video recording devices

Enforcement – NOAA OLE+

North Pacific Fishery Management Council
210th Plenary Session – Anchorage Hilton Hotel
October 1-9, 2012

D-1(a) – Feedback on goals and objectives on GCOA trawl PSC tools.

For the Official Record: Ensuring Fair & Equitable Rights or Compensation

Tuesday, September 25, 2012

Secretary Rebecca Blank, Chairman Eric Olson, and
Council members:

See final page for suggested Goals/Objectives:

Background: We were informed that the Council
motion on the October agenda “that begins the process of
developing a program to provide tools” for (1) effective
management of Prohibited Species Catch, (2) incentives for
the minimization of bycatch, and (3) vessel level
accountability, relies upon the June 2012 Discussion Paper
“Measures to address Gulf bycatch.”

The Discussion Paper is separated into PSC and
Bycatch portions. It is supposed to provide focus, which is
fine and well; but, what is needed is a broader and fresh
look at all of the tools available.

← To the left is the BYCATCH MITIGATION
TOOLBOX (BMT) that comes from the West Coast
trawl FMP development process, as modified.

We’ve noted that what’s absent from the Motion – a
clear, concise, targeted Problem Statement. If this motion
is indeed the outcome of the June action on halibut bycatch
reduction, then its goals and objectives should be focused

on mitigating bycatch in the real world, by employing goals attained by using the “fishery practices” of the full toolbox.

In contrast, the “tools” you have (so far) listed for PSC are by and large political economic tools or “management measures” that are apportionment or allocation provisions under Cooperatives. In addition, there’s the use of fishery tools such as “area closures and hot spot programs” — a few among a “range of potential tools to achieve PSC reductions.” The Discussion Paper also mentions “Fixed closures” (area and trigger closures) for addressing bycatch.

As applied to the development of a Purpose and Needs Statement with Goals and Objectives, the Council discussions overly concentrate on “rationalization” (privatization), allocative quota and even individual bycatch quota management. That’s “all roads must lead to Roman quotas” thinking.

This fits with the proverbial ongoing Trawler argument that they do not have adequate tools available at their disposal – waging a form of asymmetrical warfare against the NPFMC that is growing stronger since it lost its coveted Rockfish Pilot Program provisions to the wiser management in Amendment 88. Trawlers now insist on plunging the Council and other affected fisheries into their world of “divide and conquer” as the latest tactic toward Privatization.

Groundswell desires that a much broader multiple-participant and full toolbox discussion takes place over a long timeframe. **It is imperative to get the results of a 100% of the tows Observer Program for a year or two under our belts before taking even baby steps toward more Privatization.**

It is also important to gather the baseline data for captains and crew compensation, their historical rights to 35% to 40% of the ex-vessel price based net adjusted fish trip settlements. This is essential to review and analysis of the program. Recent changes in practices regarding Lay Shares would already be revealing, according to many Kodiak trawl fishermen. Stability is also important for the on-deck active participants, i.e. working fishermen, harvesters at sea.

Suggested Goals and Objectives needed:

- 1. Incorporate Lay Share and contract law adherence into the checklist of the FMP Amendment development and provide regulations to enforce LLP holders/vessel owners/masters comply.**
- 2. Maintain Captain and Crew shares as an overall percentage of the ex-vessel Trip Settlement without diluting those historical (35% to 40%) receipts by any Lease deductions.**
- 3. Any awards of quotas, if done, should include Communities and Captains and Crewmembers.**

4. **Ensure Active Participation** and that if awarded, quotas are not leasable to the extent practicable by non-participants.
5. Evaluate CQE effects and determine the nature of their role and limits to any quota holdings.
6. **Ensure any IBQs are non-transferable**, only usable by the particular vessel to which issued, and expire seasonally and annually.
7. **Incorporate results of a full year of 100% of tows Trawl Observer Coverage into the SSC's assessments and Council analysis.**
8. Prioritize "Fair and Equitable" distributions of rights.
9. Regulate primary product extraction and cross-border trade practices, as possible, to meet the objective of increasing Value-Added production, and goals of raising ex-vessel prices and wage earnings of fish factory laborers.

It seems inappropriate to apologize for the lack of Problem Statement clarity in the Motion.

Accordingly, Groundswell believes the most important task is to:

- **Clarify the Problem Statement** — is it for complying with the 15% reduction action, or other purposes.
- **Include all affected gear groups** in multiple discussions of the actual at-sea fishery practices that each can improve, adopt and employ to mitigate bycatch and reduce PSC.
- Postpone any unnecessary expenditures of Council funds designed to serve Trawler goals, and first obtain 'best science' from an expanded Observer Program.
- Get baseline data on historical Crew compensation, Lay Share compliance in groundfish — and Leasing practices to date in the RPP.

Respectfully,

Stephen Taufen, Groundswell Fisheries Movement

Stephen R. Taufen
P.O. Box 714
Kodiak, AK 99615

Subject: StephanUFMA_NPFMC1012_D1aGroundfishRationalization_GOA_Testimony_Written
From: Jeff Stephan <jstephan@ptialaska.net>
Date: 9/25/2012 4:59 PM
To: npfmc.comments@noaa.gov

Hi Folks,

I herewith submit my testimony on "D-1(a) Groundfish Issues; Feedback on goals and objectives on CGOA trawl PSC tools" for consideration at the October, 2012, NPFMC meeting.

My name is Jeffrey R. Stephan, I am the Manager of the United Fishermen's Marketing Association, Inc.

I am 39 years old. I am married to Karen Stephan, whose age I am not permitted to divulge. My wife has provided me with permission to submit this document. I like blues, rock and roll, classical masterpieces, old time western, opera, and rap.

I like to eat greek non fat unflavored yogurt, oatmeal, brussels sprouts, blueberries, salmon, tomatoes, and ROMAINE SALAD WITHOUT DRESSING (as does my wife)!

Thank you.

Sincerely,

Jeff Stephan

Jeffrey R. Stephan
United Fishermen's Marketing Association, Inc.
PO Box 2917
Kodiak, AK 99615
tel/UFMA: 907-486-3453
tel/cell: 907-350-2088
tel/home: 907-486-4568
email: jstephan@ptialaska.net

— Attachments: —

StephanUFMA_NPFMC1012_D1aGroundfishRationalization_GOA_Testimony_ Written.pdf 120 KB

United Fishermen's Marketing Association Inc.

PO Box 2917, Kodiak, AK 99615

tel: 907-486-3453; fax: 907-486-8362; email: jstephan@ptialaska.net

September 25, 2012

Mr. Eric Olson, Chair
North Pacific Fishery Management Council
Anchorage, AK

Re: D-1(a) Groundfish Issues; Feedback on goals and objectives on CGOA trawl PSC tools and the need to expand Council action to include all CGOA groundfish harvest sectors.

Dear Chairman Olson,

The United Fishermen's Marketing Association, Inc. (UFMA) includes harvesters who participate in the Gulf of Alaska (GOA) Pacific cod (P. cod) pot fishery. UFMA members are impacted by Council action that may adopt a design for the achievement of goals and objectives for tools that propose efficiencies, and profitable economic and operational advantages and benefits that are exclusive to the trawl groundfish fishery of the Central Gulf of Alaska (CGOA). These tools are purported to advance the ability of the CGOA trawl fleet to comply with the June, 2012, Council action to begin the process of developing "a program to provide tools for effective management of PSC, incentives for the minimization of bycatch, and vessel level accountability for the Central Gulf of Alaska trawl groundfish fishery", and "a purpose and need statement with goals and objectives for a new fishery management system at that time."

I. Need To Include ALL CGOA Groundfish Harvest Sectors In The Initiative To Develop A New Fishery Management System For CGOA Groundfish.

We request that the Council consider, analyze and compare the distribution of the economic, social, cultural and community impacts, costs and benefits that may affect other CGOA groundfish harvest sectors, gear types, fisheries and communities as you proceed to consider and design tools that address your intent of adopting "a new fishery management system" for the CGOA groundfish trawl sector as outlined in your June, 2012, motion "C-1(c) GOA Comprehensive Bycatch Amendments". We believe that NEPA, National Standards and reasonable judgment that is consistent with the wise and thoughtful development of fishery management systems all suggest the necessity of conducting such a comprehensive analysis and consideration, as compared to otherwise exclusively addressing the CGOA trawl sector, absent any consideration of impacts to other entities that are integrally tied to, and dependent upon, the CGOA groundfish fishery.

If the Council contemplates the implementation of a catch share program (including catch share-like mechanisms) as an alternative for the new fishery management system that you intend to implement for the CGOA trawl sector, we maintain that you must also begin the immediate and concurrent development of alternatives for a new fishery management system that also includes a catch share alternative for the GCOA P. cod pot sector. Moreover, we maintain that the concurrent consideration of catch shares for the CGOA trawl and P. cod pot sectors must include the clear and unambiguous Council intent and objective to simultaneously implement such catch share systems for both sectors.

UFMA is concerned about the economic, social, cultural, community and operational impacts and costs that may affect the CGOA P. cod pot fishery, communities and other sectors, if the Council were to exclusively consider the singular implementation of catch shares as one of the alternatives, or your preferred alternative, to design a new fishery management system for the CGOA trawl sector.

We note that the Council adopted a 15% reduction in the halibut PSC limit for the GOA P. cod hook-and-line CV sector as part of the same action by which you adopted the 15% reduction in the halibut PSC limit for the GOA trawl sector. While we do not purport to offer comment on behalf of the hook-and-line CV sector, we respect the economic, operational, social, community and cultural impacts that are associated with this sector's harvest of GOA P. cod. Participants in the hook-and-line sector have discussed this matter with us, and ponder, as we also ponder, why the Council intends to develop and establish a new fishery management system to address the impacts that will purportedly affect the CGOA trawl sector as a result of the 15% reduction in their halibut PSC limit, and not likewise consider similar and equitable action to address the impacts that will certainly affect, possibly to a greater extent, the GOA P. cod hook-and-line sector.

II. Balancing And Distributing Costs, Benefits, Externalities and Other Provisions Across All Harvest Sectors, Gear Types, Fisheries and Communities.

Developing an exclusive catch share program only for the CGOA trawl sector alone significantly and effectively circumvents, avoids and prohibits a fair and comprehensive analysis, consideration and action that would otherwise evaluate and address the GOA groundfish system-wide capacity, economic base and mechanisms that are available to support and address the checks, balances, social and economic costs, benefits and other externalities that may be now, or later, contemplated, desired, required or adopted (e.g., divestiture of rights; taking of rights; crew compensation and other crew-related issues; allocation of rights to entities external to a fisheries-specific sector class; active participation and other use provisions; limitations on percentage of ownership of rights; owner-on-board provisions; perpetuity and duration of ownership; consolidation of rights, vessels and ownership; etc.).

These types of potential provisions and mechanisms frequently diminish the value of benefits that would otherwise accrue to those fisheries-specific sector entities that earned any catch shares that may be distributed as a result of their direct participation in the harvest of the species that are the subject of such a catch share allocation as may be adopted.

If the Council were to proceed with exclusively considering a new fishery management system only for the CGOA trawl sector, any provisions that address the checks, balances, social and economic costs, benefits and other externalities would be distributed, if at all, according to an imperfect, inadequate and incomplete body and balance of understanding, analysis and consideration of the GOA groundfish system-wide capacity, economic base and mechanisms that are available to support and address such provisions, and of the distribution and balance of the respective sector-specific contributions to these provisions. If the Council proceeds with preferential treatment for the CGOA trawl sector with respect to investing their precious resources towards adopting an exclusive new fishery management system only for this sector, it is intuitive that a reasonable balance between and among the GOA groundfish system harvest sectors with respect to their respective contribution to these provisions would be impossible to achieve. This is a

significant concern given the anticipated economic and resource factors that may portend to impact the GOA groundfish system harvest sectors in the future. Moreover, we are concerned that, in the final analysis, the cost of these provisions will be largely left to those sectors that are left behind in this otherwise beneficial initiative to design a new fishery management system.

III. Purpose And Need Statement For A New Fishery Management System For All CGOA Groundfish Harvest Sectors.

I have included herewith the most recent past "Problem Statement" for Gulf of Alaska Groundfish Rationalization (April, 2006) which indicated "To guide the identification of a rationalization program for the Gulf of Alaska groundfish fisheries, the Council has developed the following purpose and need statement". This Problem Statement was adopted by the Council in April, 2006, and available to the Council during their December, 2006, meeting, at which meeting the Council intended to continue their work on a comprehensive GOA-wide groundfish rationalization program for all GOA groundfish sectors. Nevertheless, the Council "elected to defer further action on the Gulf rationalization program, or any other new IFQ type programs ..." at their December, 2006, meeting.

The Council is scheduled to "develop a purpose and need statement with goals and objectives for a new fishery management system" for the CGOA trawl groundfish sector at this meeting.

We suggest that the Council instead develop a purpose and need statement with goals and objectives for a new fishery management system for all CGOA groundfish harvest sectors at this meeting. Many of the principles, needs, challenges, risks, economic pressures and other factors that existed for the GOA groundfish harvest sectors in December, 2006, and that advanced and supported the initiative for GOA Groundfish Rationalization for all GOA groundfish sectors, still exist.

While the April, 2006, Problem Statement is not perfect for the task that is currently before the Council at this meeting, it adequately reflects concepts that are reasonably useful as the basis of a markup document that addresses a contemporary Purpose and Need Statement that correctly and necessarily addresses all harvesting sectors of the GOA groundfish fishery.

Sincerely,



Jeffrey R. Stephan

Problem Statement for Gulf of Alaska Groundfish Rationalization (April, 2006)

To guide the identification of a rationalization program for the Gulf of Alaska groundfish fisheries, the Council has developed the following purpose and need statement:

The Council is proposing a new management regime that rationalizes groundfish fisheries in the Gulf of Alaska west of 140 degrees longitude and rockfish bycatch east of 140 degrees longitude. A rationalization program includes policies and management measures that may increase the economic efficiency of GOA groundfish fisheries by providing economic incentives to reduce

excessive capital investment. These management measures would apply to those species, or groups of species identified by the Council as benefiting from additional economic incentives that may be provided by rationalization. This rationalization program would not modify the hook- and-line sablefish fishery currently prosecuted under the IFQ Program, except for management of associated groundfish bycatch.

The purpose of the proposed action is to create a management program that improves conservation, reduces bycatch, and provides greater economic stability for harvesters, processors, and communities. A rationalization program could allow harvesters and processors to manage their operations in a more economically efficient manner. Rationalization of GOA fisheries should eliminate the derby-style race for fish by allocating privileges and providing economic incentives to consolidate operations and improve operational efficiencies of remaining operators. Because rationalization programs can have significant impacts on fishing dependent communities, this program should address community impacts and seek to provide economic stability or create economic opportunity in fishery dependent communities.

Rationalizing GOA fisheries may improve stock conservation by creating incentives to eliminate wasteful fishing practices, improve management practices, and provide mechanisms to control and reduce bycatch and gear conflicts. Rationalization programs may also reduce the incentive to fish during unsafe conditions.

Management of GOA groundfish has grown increasingly complicated due to impositions of measures to protect Steller sea lions, increased participation by fishermen displaced from other fisheries such as Alaska salmon fisheries and the requirements to reduce bycatch and address Essential Fish Habitat requirements under the Magnuson-Stevens Act (MSA). These changes in the fisheries are frustrating management of the resource, raising attendant conservation concerns. These events are also having significant, and at times, severe adverse social and economic impacts on harvesters, processors, and communities dependent on GOA fisheries. Some of the attendant problems include:

1. reduced economic viability of the harvesters, processors, and GOA communities
2. high bycatch,
3. decreased safety,
4. reduced product value and utilization,
5. jeopardy to community stability and their historic reliance on groundfish fishing and processing,
6. limited ability of the fishery harvesters and processors to respond to changes in the ecosystem
7. limited ability to adapt to MSA requirements to minimize bycatch and protect habitat,
8. limited ability to adapt to changes to other applicable law (i.e., Endangered Species Act).

All of these factors have made achieving the goals of the National Standards in the MSA difficult and encourage reevaluation of the status quo management of the GOA groundfish fisheries. The management tools in the current GOA groundfish FMP do not provide managers with the ability to improve the economic efficiency of the fishery and effectively solve the excess harvesting capacity and resource allocation problems in the GOA groundfish fisheries. The Council has determined that some form of rationalization program is warranted.

September 25, 2012

Chairman Eric Olson
North Pacific Fishery Management Council
605 West 4th Avenue, Suite 306
Anchorage, Alaska
99501

George Hutchings, President
Americans For Equal Access
P.O. Box 8242
Kodiak, Alaska
99615-8242

Via: email at npfmc.comments@noaa.gov

RE: Agenda Item D-1(a), Feedback on goals and objectives on CGOA trawl PSC tools.

Dear Chairman Olson,

On behalf of the association Americans For Equal Access¹ (AFEA), thank you for this opportunity to provide written comments on **Agenda Item D-1(a)**, entitled “Feedback on goals and objectives on Central Gulf of Alaska (CGOA) trawl Prohibited Species Catch (PSC) tools.” We have reviewed in depth the discussion paper presented at the last Council meeting in Kodiak, “Measures to address Gulf Bycatch” (June 2012, Agenda Item C-1(c)), to which this October’s Agenda Item refers. AFEA would like to thank Council staff for their work thus far, and the Council for its inclusion in discussion of other innovative bycatch management tools for the unique Gulf groundfish fisheries. The following comments represent the collective interests of the members of AFEA.

At the last meeting, the Council passed a motion to begin the process of developing a program to effectively manage, reduce, and account for bycatch that is appropriate for the Gulf groundfish trawl fleet.² At this meeting, the Council may wish to discuss possible alternatives and a statement of purpose and need. AFEA would like to make the following suggestions of concepts and issues to address within the statement of purpose and need:

- Individual—fishermen and/or vessels—accountability for bycatch;
- The overall goal of reducing bycatch—individually (fishermen/vessel) and collectively (fleet);
- Full accounting and utilization of PSC;
- Cooperative structures within the fleet to voluntarily report, monitor, and divide PSC;
- The possibility of the creation of a “PSC Bank,” to be drawn on individually by vessels per fishery or per trip; and
- Mechanisms to ensure equal public access to public fisheries resources.

In addition, AFEA requests that the forthcoming analysis address the concerning issues of:

¹ AFEA shares the common goal of equal access for the public, to public fisheries resources.

² Council Motion, “C-1(c) GOA Comprehensive Bycatch Amendments,” available at: <http://www.fakr.noaa.gov/npfmc/PDFdocuments/bycatch/GOABycatch612motion.pdf> (June 2012).

- High grading of high-value fish species in the Gulf, such as (but not limited to) halibut, scallops, and crab;
- Lack of “Number 2” and “sandflead-ed” fish off-loaded to the dock or reported;
- Separation of target species in the Gulf groundfish fisheries into species-specific fisheries, with a percentage of PSC divided and assigned to each fishery;³
- Combining current deep and shallow water complexes, and separating into separate species-specific fisheries (with PSC allotments);
- Lack of observer coverage (i.e., less than 100%) or VMS requirements;

AFEA appreciates the opportunity to contribute to the discussion at this initial point in the Council process, and would request more structured opportunities to actively participate in the formation of the statement of purpose and need, and the selection of alternatives for analysis.

Thank you,
(signed)
George Hutchings,
President – AFEA

F/V Gold Rush Fisheries LLC

PO Box 425
Kodiak, Alaska

25 September 2012

To: Eric Olson, Chairman
North Pacific Fishery Management Council
605 W. 4th, Suite 306
Anchorage, AK 99501-2252
Fax: 907-271-2817

RE: D-1 Groundfish Issues (a) Feedback on goals and objectives on CGOA trawl PSC tools.

Dear Chairman Olsen,

We own and operate the trawler F/V Gold Rush out of Kodiak Alaska and are strongly in favor of a comprehensive catch share program for the Gulf of Alaska.

It is time to properly equip the trawl fleet with the foremost tool for controlling bycatch and achieving optimum yields in target fisheries.

Attempting to effectively manage and control bycatch through punitive incentives and IBQ programs are at best, band-aids, which constrain the fleet's ability to meet the objectives set forth in the MSA National Standards.

Thank you for your thoughtful consideration.

Bert Ashley,
F/V Gold Rush Fisheries LLC

Don Ashley,
F/V Gold Rush Fisheries LLC

Handout

AGENDA D-1(a)
Supplemental
OCTOBER 2012

Subject: Letter to Council
From: "Tom" <tomevich@comcast.net>
Date: 9/26/2012 7:16 AM
To: "Council letters" <n timer@noaa.gov>

Dear Chairman Olson and members of the Council,

I own and operate a trawler based in Sand Point, Alaska with a LLP for both the Western and Central Gulf of Alaska. My fishing is done primarily in the Western Gulf.

If this Council is sincere about reducing by-catch it will begin to develop a catch share plan where by-catch is allocated to the vessel based on production history of the target specie. This reflects effort and investment of that vessel. If this Council is sincere about supporting and increasing the economic viability of the trawl fleet and the communities where they are based, it will begin to develop a catch share plan. If this Council, for what ever reason, supports the chaos that has taken place, and is taking place in the 2012 C and D pollock seasons, it should support status quo. I ask that if the Council moves forward with a catch share plan for the Central Gulf and that the Western Gulf be included.

Most Sincerely,

Tom Evich
Owner/Operator
F/V Karen Evich



OUZINKIE NATIVE CORPORATION

P.O. Box 89

Ouzinkie, Alaska 99644

Ph: (907) 680-2208, Fax: (907) 680-2268, Email: salmonlaker@yahoo.com

September 20, 2012

North Pacific Fisheries Management Council
605 W. 4th Ave.
Anchorage, AK 99615

Re: Support for Kodiak Island Borough and City of Kodiak
Joint Resolutions FY2013-9&10 Regarding
Comprehensive Management of Prohibited Species Catch
by the Trawl Fishery in the Central Gulf of Alaska

Dear Chairman Eric Olsen and Council members:

Ouzinkie Native Corporation on behalf of its shareholders and the residents of Ouzinkie is committed to maintaining and expanding fishing opportunities in Ouzinkie as well as the conservation and stewardship of marine resources and resource habitat. We continue to believe that all bycatch, including trawl bycatch, should be reduced by the North Pacific Fisheries Management Council. We have reviewed the Council's motion regarding your October discussion "developing a program to provide tools for effective management of PSC, incentives for minimization of bycatch and vessel level accountability for the Central Gulf of Alaska trawl groundfish fisheries". How this program may be developed is very important to Ouzinkie.

Kodiak Island Borough and the City of Kodiak have developed suggested goals for the Council to consider as you discuss GOA trawl groundfish bycatch reduction. Ouzinkie Native Corporation has reviewed these goals and we concur with KIB and Kodiak City that these goals should be adopted by the Council and incorporated into any problem statement and elements and options for analysis that the Council may consider. We believe these goals represent the starting point for the Council's discussion.

Ouzinkie Native Corporation is adamant that trawl groundfish processing opportunities be retained for our community. The Council should not even consider any type of closed class of processors and/or landing requirements specific to the City of Kodiak. In addition, ONC would encourage the Council to limit consolidation that may occur in the trawl fishery. Maintaining the current fleet will continue to provide needed crew jobs and fishing opportunities.

Thank you for your consideration of Ouzinkie's support for the 10 programmatic goals outlined in the KIB and Kodiak City resolution as well as our concern to preserve community processing opportunities.

Very truly yours,


Jackie Muller, Chairman

PUBLIC TESTIMONY SIGN-UP SHEET

Agenda Item: D-1 (a) CGOA trawl PSC tools

NAME (PLEASE PRINT)	TESTIFYING ON BEHALF OF:	
1	BOB ZURNICH	Silver Bay Sea foods
2	BRENT PAINK	UCB
3	Mayor/Lloyd	Kodial
4	TERRY HAINES	SELF
5	LORI SWANSON	GROUND FISH FORUM
6	Sarah Melton	AFEA (Holdings)
7	Matt Hegge	OCEAN BAY
8	Theresa Peterson	Amco
9	Jody Cook	F/V Cape Reliant
10	Both Stewart	Peninsula Fishermen's Coalition
11	Don Ashley	F/V Gold Rush
12	Heather McPartly, Mike Okonevski	Pacific Seafood
13	GLENN REED	PSPA
14	John Widdon	self
15	Julie Bonney	AGDB
16	Bob Krueger	AWTA
17	JOE PRESH	TRIDENT
18	Susan Robinson	Fishermen's Finest
19	Paul Gronholt	Self
20	Jeff Stephae	UFMA
21		
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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.

Beth Stewart

Written testimony and perceived needs of individual, for the council on Agenda item D1, 10/09/2012

Mr Chairman,.. Members of the council. My name is Jody Cook. I am an owner / operator of the 58' fishing vessel Cape Reliant. The Cape Reliant has an LLP endorsed for cod and pollock trawl in both Central and Western Gulf.

Need #1: With the talk of a control date and catch shares and community economic health, there is the high possibility of unintended consequences and misappropriated catch shares and related PSC,..

This year I caught fish in the 620 area, (Central Gulf), near Sand Pt. I gave out a hand out that shows you where this area is located. I show this just to clear up any confusion that may be caused when there is discussion on certain economic effects imposed from one fishing group to another. When economic effects are being discussed, I believe that economic "zones" must also be discussed and defined. Ultimately,.. science would draw the best line for fish stocks. But,.. it may not be so far from the same line that would fairly divide traditional use and physical distance from the nearest port and community. I propose a line somewhere near halfway between Kodiak Is. and the Shumigans, for the purpose of determining historical PSC and at the same time maintaining historical Economic impact. In regards to area 620 I worry a bit that whatever tools may be considered, there is the possibility of confusion and misappropriation. Or,.. unintended consequences...

Purpose #1: Create the best possible foundation for determining and fairly applying historical catch and PSC records.

Need #2: If the Kodiak Fleet is protected from new entrants, it leaves the Western Gulf fisheries vulnerable to instant over capitalization in a "race for history"

If the Kodiak fleet is given a "tool",..to guard against new entrants during this process of evaluation and development, (ie, a control date or moratorium start date), I would ask that some sort of safeguard also be put in place for the traditional Western Gulf fleet,. Something that would not allow the vessels in Kodiak to have overwhelming negative economic impact on the Sand Pt/ King Cove communities.

Purpose #2: To protect and sustain the economic health of the Western Gulf communities , and to begin Western Gulfs own program for managing PSC,..

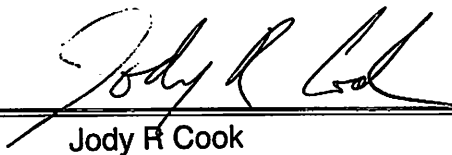
Need #3: With the current "race for fish" and competition from larger boats,.. the ability to manage PSC, is greatly compromised,.. (Tools for a strong Co-op is needed,..)

Put in place tools for an affective co-op:

- 60' and under limit (one size fits all, observers, electronic monitoring, excluders, weather limitations, slower catch rates)
- exclusive fishing area, (We can't hurt you, you can't hurt us) Council hears less whining,
- later start date, (one of the single most effective tools for A B cod season PSC control)
- equal PSC shares across the board, (limit larger bts to same target species production as smaller boats and eliminate exhaustive process of determining history and shares)

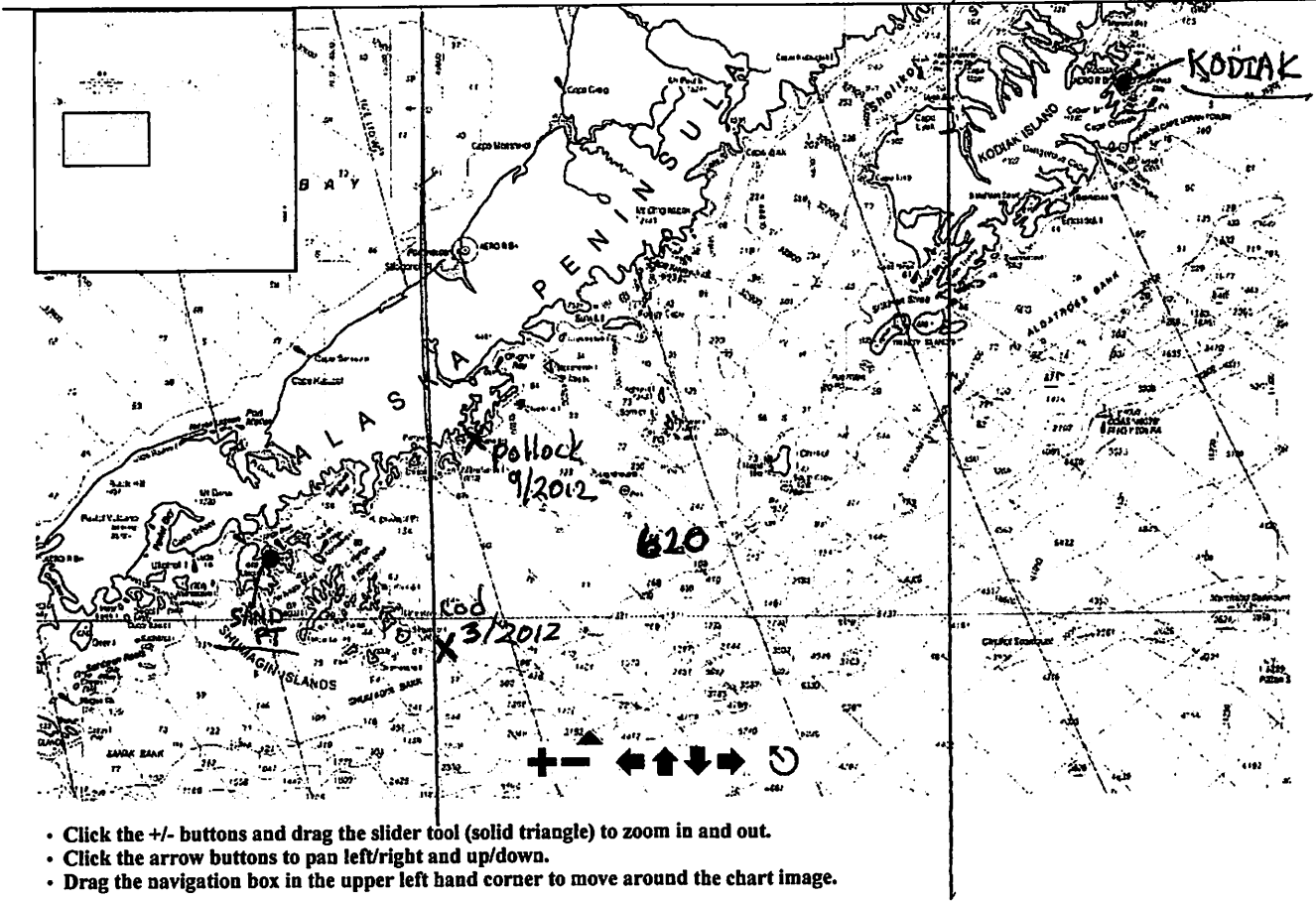
I believe that a co-op is a very affective way for managing and implementing many of the tools that have been successfully applied in the past to manage bycatch. The Western Gulf is a unique area where most of the existing trawlers are already 58'. I believe that the more that a fleet has in common, the more likely that co-ops would be attractive to the individuals..

Purpose #3: To develop tools that make a co-op more attractive and effective for members,.. for the use in many issues, and especially in PSC management...



Jody R Cook

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Kodiak Island Borough
710 Mill Bay Road
Kodiak, AK 99615
907.486.9310



City of Kodiak
710 Mill Bay Road
Kodiak, AK 99615
907.486.8636

October 1, 2012

Mr. Chris Oliver, Executive Director
North Pacific Fishery Management Council
605 W. 4th Avenue, Suite 306
Anchorage, AK 99501

Dear Mr. Oliver:

On behalf of the residents and municipal governments of Kodiak, the City of Kodiak and the Kodiak Island Borough are submitting to the North Pacific Fishery Management Council two joint resolutions regarding fishery management concerns in the Gulf of Alaska.

Please accept the two enclosed joint resolutions for consideration during your upcoming meeting in October 2012, especially with regard to your discussion and deliberation of comprehensive management of prohibited species catch (PSC) in the trawl fisheries of the central Gulf of Alaska, agenda item D-1(a).

We look forward to testifying on this issue, and to helping the Council proceed in a manner best suited to protect and enhance our coastal communities' interests.

Sincerely,

A handwritten signature in black ink that reads "Jerome M. Selby". The signature is written in a cursive style with a long horizontal line extending to the left.

Jerome M. Selby, Mayor
Kodiak Island Borough

A handwritten signature in black ink that reads "Pat Branson". The signature is written in a cursive style with a long horizontal line extending to the right.

Pat Branson, Mayor
City of Kodiak

Enclosures

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Introduced by: Borough Assembly
Requested by: Kodiak Fisheries Workgroup
Drafted by: Borough Clerk
Introduced on: 09/20/2012
Adopted on: 09/20/2012

**KODIAK ISLAND BOROUGH
RESOLUTION NO. FY 2013-09**

**A JOINT RESOLUTION OF THE KODIAK ISLAND BOROUGH ASSEMBLY AND THE
CITY OF KODIAK COUNCIL SUPPORTING THE OVERALL APPROACH TO FISHERY
ISSUES BY THE KODIAK FISHERIES WORKGROUP**

WHEREAS, the economy and well-being of residents of the Kodiak Island Borough and the City of Kodiak depend upon commercial, recreational, and subsistence fisheries; and

WHEREAS, revenues to the municipal governments are derived directly and indirectly from activities of the fishing industry and related businesses; and

WHEREAS, the Kodiak Island Borough and the City of Kodiak wish to assure the growth and sustainability of the region's fisheries; and

WHEREAS, and the Kodiak Island Borough and the City of Kodiak have begun a program to become directly involved in the public fishery policy decision-making processes of state and federal governments; and

WHEREAS, fishery management, regulation, and policy decisions are often complex and controversial and often affect various user groups in different fashions; and

WHEREAS, the Kodiak Island Borough and the City of Kodiak do not wish to unduly favor any user group over another.

NOW, THEREFORE BE IT JOINTLY RESOLVED BY THE KODIAK ISLAND BOROUGH ASSEMBLY AND THE CITY OF KODIAK COUNCIL to support and adopt the following statement of the Kodiak Fisheries Workgroup's overall approach for consideration of fishery management issues of interest and concern to the Kodiak region:

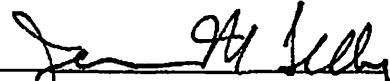
Overall Approach:

- 1. Focus on overall impacts to the community and maintenance and growth of revenue streams.
- 2. Understand how various approaches will fundamentally impact fisheries and resources.
- 3. Frame benchmarks and objectives as positive statements.
- 4. Refrain from taking positions on allocative questions (to the extent possible, while understanding that many issues and decision will have allocative implications).


45 5. Focus on broad-scale program features (i.e., keep a 30,000 ft. viewpoint), unless
46 specific program elements threaten the goals for management programs as
47 referenced within Resolution No. FY2013-10 of the Kodiak Island Borough.
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49 **ADOPTED BY THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH**
50 **THIS TWENTIETH DAY OF SEPTEMBER, 2012**
51

52 KODIAK ISLAND BOROUGH

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56 Jerome M. Selby, Borough Mayor

56 ATTEST:

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59 Nova M. Javier, MMC, Borough Clerk
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Introduced by: Borough Assembly
Requested by: Kodiak Fisheries Workgroup
Drafted by: Borough Clerk
Introduced on: 09/20/2012
Adopted on: 09/20/2012

**KODIAK ISLAND BOROUGH
RESOLUTION NO. FY2013-10**

**A JOINT RESOLUTION OF THE KODIAK ISLAND BOROUGH ASSEMBLY AND THE
CITY OF KODIAK COUNCIL SUPPORTING COMMENTS TO THE NORTH PACIFIC
FISHERY MANAGEMENT COUNCIL ON PENDING ACTIONS REGARDING
COMPREHENSIVE MANAGEMENT OF PROHIBITED SPECIES CATCH (PSC) BY THE
TRAWL FISHERY IN THE CENTRAL GULF OF ALASKA**

WHEREAS, the North Pacific Fishery Management Council is considering the need for and beginning development of a comprehensive program to manage prohibited species catch by the trawl fleet of the central Gulf of Alaska; and

WHEREAS, any such comprehensive management program for fisheries in the central Gulf of Alaska will have major and direct effects on the economy and well-being of residents of the Kodiak region; and

WHEREAS, National Standards of the Magnuson-Stevens Fishery Conservation and Management Act require that federal fishery management decisions take into account the importance of fishery resources to fishing communities, in order to provide for the sustained participation of such communities and minimize adverse economic impacts on such communities; and

WHEREAS, the Kodiak Island Borough and the City of Kodiak represent the communities of the Kodiak region, rather than individual user groups or fishing interests; and

WHEREAS, the Kodiak Island Borough and the City of Kodiak have begun a program to participate directly in public processes for fishery policy decision-making as outlined in Resolution No. FY2013-09 of the Kodiak Island Borough

NOW, THEREFORE BE IT JOINTLY RESOLVED BY THE KODIAK ISLAND BOROUGH ASSEMBLY AND THE CITY OF KODIAK COUNCIL that these bodies support the Kodiak Fisheries Workgroup's proposed overarching purpose for consideration of fishery management issues of interest and concern to the Kodiak region as follows:

- Overarching Purpose:**
1. Maintain healthy, sustainable resources in the central (and western) Gulf of Alaska.
 2. Promote a sustainable, vigorous economy in the Kodiak region with healthy and competitive harvesting and processing sectors and support industries.
 3. Maintain quality of life and social well-being in Kodiak.

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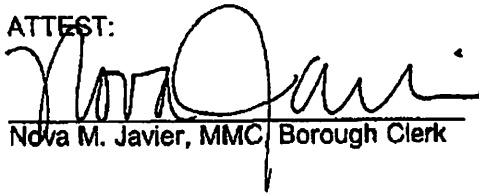
NOW, THEREFORE BE IT FURTHER JOINTLY RESOLVED BY THE KODIAK ISLAND BOROUGH ASSEMBLY AND THE CITY OF KODIAK COUNCIL that these bodies support the Kodiak Fisheries Workgroup's proposed goals for management programs as follows:

Goals for Management Programs:

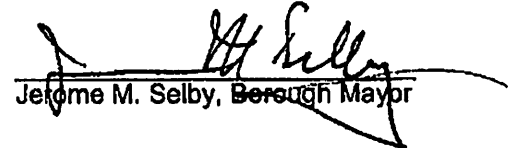
1. Provide effective controls of prohibited species catch and other bycatch to provide for balanced and sustainable fisheries and healthy harvesting and processing sectors.
2. Maintain or increase target fishery landings and revenues to Kodiak.
3. Maintain or increase employment opportunities for vessel crews, processing workers, and support industries.
4. Provide increased opportunities for value-added processing.
5. Maintain opportunities for fishermen to enter the fishery.
6. Maintain opportunities for processors to enter the fishery.
7. Minimize adverse economic impacts of consolidation of the harvesting or processing sectors.
8. Maximize active participation by owners of harvesting vessels and fishing privileges.
9. Maintain the economic strength and vitality of Kodiak's working waterfront.
10. Establish methods to measure success and impacts of all programs, including collection and analysis of baseline and after-action data.

**ADOPTED BY THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH
THIS TWENTIETH DAY OF SEPTEMBER, 2012**

ATTEST:


Nova M. Javier, MMC, Borough Clerk

KODIAK ISLAND BOROUGH


Jerome M. Selby, Borough Mayor

**CITY OF KODIAK
RESOLUTION NUMBER 2012-30**

A JOINT RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK AND THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH SUPPORTING THE OVERALL APPROACH TO FISHERY ISSUES BY THE KODIAK FISHERIES WORKGROUP

WHEREAS, the economy and well-being of residents of the City of Kodiak and the Kodiak Island Borough depend upon commercial, recreational, and subsistence fisheries; and

WHEREAS, revenues to the municipal governments are derived directly and indirectly from activities of the fishing industry and related businesses; and

WHEREAS, the City of Kodiak and the Kodiak Island Borough wish to assure the growth and sustainability of the region's fisheries; and

WHEREAS, the City of Kodiak and the Kodiak Island Borough have begun a program to become directly involved in the public fishery policy decision-making processes of state and federal governments; and

WHEREAS, fishery management, regulation, and policy decisions are often complex and controversial and often affect various user groups in different fashions; and

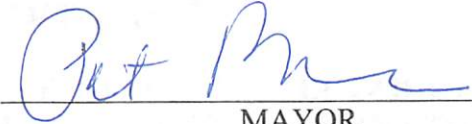
WHEREAS, the City of Kodiak and the Kodiak Island Borough do not wish to unduly favor any user group over another.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Kodiak and the Assembly of the Kodiak Island Borough to support and adopt the following statement of the Kodiak Fisheries Workgroup's overall approach for consideration of fishery management issues of interest and concern to the Kodiak region:

Overall Approach:

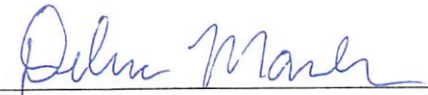
1. Focus on overall impacts to the community and maintenance and growth of revenue streams.
2. Understand how various approaches will fundamentally impact fisheries and resources.
3. Frame benchmarks and objectives as positive statements.
4. Refrain from taking positions on allocative questions (to the extent possible, while understanding that many issues and decision will have allocative implications).
5. Focus on broad-scale program features (i.e., keep a 30,000 ft. viewpoint), unless specific program elements threaten the goals for management programs as referenced within Resolution No. 2012-31 of the City of Kodiak.

CITY OF KODIAK



MAYOR

ATTEST:



CITY CLERK

Adopted: September 27, 2012



**CITY OF KODIAK
RESOLUTION NUMBER 2012-31**

**A JOINT RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK AND
THE KODIAK ISLAND BOROUGH ASSEMBLY SUPPORTING COMMENTS TO THE
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL ON PENDING ACTIONS
REGARDING COMPREHENSIVE MANAGEMENT OF PROHIBITED SPECIES
CATCH BY THE TRAWL FISHERY IN THE CENTRAL GULF OF ALASKA**

WHEREAS, the North Pacific Fishery Management Council is considering the need for and beginning development of a comprehensive program to manage prohibited species catch by the trawl fleet of the central Gulf of Alaska; and

WHEREAS, any such comprehensive management program for fisheries in the central Gulf of Alaska will have major and direct effects on the economy and well-being of residents of the Kodiak region; and

WHEREAS, National Standards of the Magnuson-Stevens Fishery Conservation and Management Act require that federal fishery management decisions take into account the importance of fishery resources to fishing communities, in order to provide for the sustained participation of such communities and minimize adverse economic impacts on such communities; and

WHEREAS, the City of Kodiak and the Kodiak Island Borough represent the communities of the Kodiak region, rather than individual user groups or fishing interests; and

WHEREAS, the City of Kodiak and the Kodiak Island Borough have begun a program to participate directly in public processes for fishery policy decision-making as outlined in Resolution No. 2012-30 of the City of Kodiak.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Kodiak and the Assembly of the Kodiak Island Borough that these bodies support the Kodiak Fisheries Workgroup's proposed overarching purpose for consideration of fishery management issues of interest and concern to the Kodiak region as follows:

Overarching Purpose:

1. Maintain healthy, sustainable resources in the central (and western) Gulf of Alaska.
2. Promote a sustainable, vigorous economy in the Kodiak region with healthy and competitive harvesting and processing sectors and support industries.
3. Maintain quality of life and social well-being in Kodiak.

BE IT FURTHER RESOLVED by the Council of the City of Kodiak and the Assembly of the Kodiak Island Borough that these bodies support the Kodiak Fisheries Workgroup's proposed goals for management programs as follows:

Goals for Management Programs:

1. Provide effective controls of prohibited species catch and other bycatch to provide for balanced and sustainable fisheries and healthy harvesting and processing sectors.
2. Maintain or increase target fishery landings and revenues to Kodiak.
3. Maintain or increase employment opportunities for vessel crews, processing workers, and support industries.
4. Provide increased opportunities for value-added processing.
5. Maintain opportunities for fishermen to enter the fishery.
6. Maintain opportunities for processors to enter the fishery.
7. Minimize adverse economic impacts of consolidation of the harvesting or processing sectors.
8. Maximize active participation by owners of harvesting vessels and fishing privileges.
9. Maintain the economic strength and vitality of Kodiak's working waterfront.
10. Establish methods to measure success and impacts of all programs, including collection and analysis of baseline and after-action data.



CITY OF KODIAK

A handwritten signature in blue ink, appearing to read "Pet Pua", is written over a horizontal line.

MAYOR

ATTEST:

A handwritten signature in blue ink, appearing to read "Delva M...", is written over a horizontal line.

CITY CLERK

Adopted: September 27, 2012

**D1(a) Council Motion - GOA Trawl PSC tools
October 9, 2012**

The Council approves the following purpose and need statement and goals and objectives for the Central Gulf of Alaska trawl PSC action:

Purpose and Need Statement:

Management of Central Gulf of Alaska (GOA) groundfish trawl fisheries has grown increasingly complicated in recent years due to the implementation of measures to protect Steller sea lions and reduced Pacific halibut and Chinook salmon Prohibited Species Catch (PSC) limits under variable annual total allowable catch (TACs) limits for target groundfish species. These changes complicate effective management of target and non-target resources, and can have significant adverse social and economic impacts on harvesters, processors, and fishery-dependent GOA coastal communities.

The current management tools in the GOA Groundfish Fishery Management Plan (FMP) do not provide the Central GOA trawl fleet with the ability to effectively address these challenges, especially with regard to the fleet's ability to best reduce and utilize PSC. As such, the Council has determined that consideration of a new management regime for the Central GOA trawl fisheries is warranted.

The purpose of the proposed action is to create a new management structure which allocates allowable harvest to individuals, cooperatives, or other entities, which will eliminate the derby-style race for fish. It is expected to improve stock conservation by creating vessel-level and/or cooperative-level incentives to eliminate wasteful fishing practices, provide mechanisms to control and reduce bycatch, and create accountability measures when utilizing PSC, target, and secondary species. It will also have the added benefit of reducing the incentive to fish during unsafe conditions and improving operational efficiencies.

The Council recognizes that Central GOA harvesters, processors, and communities all have a stake in the groundfish trawl fisheries. The new program shall be designed to provide tools for the effective management and reduction of PSC and bycatch, and promote increased utilization of both target and secondary species harvested in the GOA. The program is also expected to increase the flexibility and economic efficiency of the Central GOA groundfish trawl fisheries and support the continued direct and indirect participation of the coastal communities that are dependent upon those fisheries. These management measures shall apply to those species, or groups of species, harvested by trawl gear in the Central GOA, as well as to PSC. This program will not modify the overall management of other sectors in the GOA, or the Central GOA rockfish program, which already operates under a catch share system.

Goals and Objectives:

1. Balance the requirements of the National Standards in the Magnuson Stevens Act
2. Increase the ability of the groundfish trawl sector to avoid PSC species and utilize available amounts of PSC more efficiently by allowing groundfish trawl vessels to fish more slowly, strategically, and cooperatively, both amongst the vessels themselves and with shore-based processors
3. Reduce bycatch and regulatory discards by groundfish trawl vessels
4. Authorize fair and equitable access privileges that take into consideration the value of assets and investments in the fishery and dependency on the fishery for harvesters, processors, and communities

5. Balance interests of all sectors and provide equitable distribution of benefits and similar opportunities for increased value
6. Promote community stability and minimize adverse economic impacts by limiting consolidation, providing employment and entry opportunities, and increasing the economic viability of the groundfish harvesters, processors, and support industries
7. Improve the ability of the groundfish trawl sector to achieve Optimum Yield, including increased product retention, utilization, landings, and value by allowing vessels to choose the time and location of fishing to optimize returns and generate higher yields
8. Increase stability relative to the volume and timing of groundfish trawl landings, allowing processors to better plan operational needs as well as identify and exploit new products and markets
9. Increase safety by allowing trawl vessels to prosecute groundfish fisheries at slower speeds and in better conditions
10. Include measures for improved monitoring and reporting
11. Increase the trawl sector's ability to adapt to applicable Federal law (i.e., Endangered Species Act)
12. Include methods to measure the success and impacts of all program elements
13. Minimize adverse impacts on sectors and areas not included in the program
14. Promote active participation by owners of harvest vessels and fishing privileges

The Council requests that staff provide a discussion paper that outlines various catch share options for the Central GOA trawl sector that may be available to meet the above objectives, and how other comparable programs have considered and applied the LAPP provisions in the MSA to meet similar objectives.