

North Pacific Fishery Management Council

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May 29, 2009

DRAFT AGENDA
193rd Plenary Session
North Pacific Fishery Management Council
June 3-9, 2009
Anchorage Hilton Hotel

The North Pacific Fishery Management Council will meet at the Hilton Hotel, 500 W. 3rd Avenue, Anchorage, AK 99501. Other meetings to be held during the week are:

Committee/Panel

Advisory Panel

Scientific and Statistical Committee

Beginning

June 1 – 8am – Dillingham/Katmai Room

June 1 – 8am – King Salmon Room

All meetings are open to the public, except executive sessions of the Council. Other committee and workgroup meetings may be scheduled on short notice during the week, and will be posted at the hotel.

INFORMATION FOR PERSONS WISHING TO PROVIDE PUBLIC COMMENTS

Sign-up sheets are available at the registration table for those wishing to provide public comments on a specific agenda item. Sign-up must be completed **before** public comment begins on that agenda item. Additional names are generally not accepted **after** public comment has begun.

Submission of Written Comments. Written comments and materials to be included in Council meeting notebooks must be received at the Council office by 5:00 pm (Alaska Time) on **Wednesday May 27, 2009**. Written and oral comments should include a statement of the source and date of information provided as well as a brief description of the background and interests of the person(s) submitting the statement. Comments can be sent by mail or fax—please **do not** submit comments by e-mail. **It is the submitter's responsibility to provide an adequate number of copies of comments after the deadline.** Materials provided **during** the meeting for distribution to Council members should be provided to the Council secretary. A minimum of **25** copies is needed to ensure that Council members, the executive director, NOAA General Counsel, appropriate staff, and the official meeting record each receive a copy. If copies are to be made available for the Advisory Panel (**28**), Scientific and Statistical Committee (**18**), or the public after the pre-meeting deadline, they must also be provided by the submitter.

NOTE: Council may take action as necessary on all matters listed on the Agenda

**FOR THOSE WISHING TO TESTIFY BEFORE THE
ADVISORY PANEL**

The Advisory Panel has revised its operating guidelines to incorporate a strict time management approach to its meetings. Rules for testimony before the Advisory Panel have been developed which are similar to those used by the Council. Members of the public wishing to testify before the AP **must** sign up on the list for each topic listed on the agenda. Sign-up sheets are provided in a special notebook located at the back of the room. The deadline for registering to testify is when the agenda topic comes before the AP. The time available for individual and group testimony will be based on the number registered and determined by the AP Chairman. **The AP may not take public testimony on items for which they will not be making recommendations to the Council.**

**FOR THOSE WISHING TO TESTIFY BEFORE THE
SCIENTIFIC AND STATISTICAL COMMITTEE**

The usual practice is for the SSC to call for public comment immediately following the staff presentation on each agenda item. The Committee will discourage testimony that does not directly address the technical issues of concern to the SSC. **Presentations lasting more than five minutes will require prior approval from the Chair.**

COMMONLY USED ACRONYMS

ABC	Acceptable Biological Catch	IRFA	Initial Regulatory Flexibility Analysis
AI	Aleutian Islands	LLP	License Limitation Program
AP	Advisory Panel	MSFCMA	Magnuson-Stevens Fishery Conservation and Management Act
ADFG	Alaska Dept. of Fish and Game	MMPA	Marine Mammal Protection Act
BS	Bering Sea	MRA	Maximum Retainable Amount
BSAI	Bering Sea and Aleutian Islands	MSY	Maximum Sustainable Yield
CDQ	Community Development Quota	mt	Metric tons
EA/RIR	Environmental Assessment/Regulatory Impact Review	NMFS	National Marine Fisheries Service
EEZ	Exclusive Economic Zone	NOAA	National Oceanic & Atmospheric Adm.
EFH	Essential Fish Habitat	NPFMC	North Pacific Fishery Management Council
EFP	Exempted Fishing Permit	OY	Optimum Yield
ESA	Endangered Species Act	PSC	Prohibited Species Catch
FEP	Fishery Ecosystem Plan	SAFE	Stock Assessment and Fishery Evaluation
FMP	Fishery Management Plan	SSC	Scientific and Statistical Committee
GHL	Guideline Harvest Level	SSL	Steller Sea Lion
GOA	Gulf of Alaska	TAC	Total Allowable Catch
HAPC	Habitat Areas of Particular Concern	USFWS	United States Fish & Wildlife Service
IFQ	Individual Fishing Quota		
IPHC	International Pacific Halibut Commission		

NOTE: Council may take action as necessary on all matters listed on the Agenda

May 29, 2009

**DRAFT AGENDA
193rd Plenary Session
North Pacific Fishery Management Council
June 3-9, 2009**

Estimated Time

A. CALL MEETING TO ORDER

- (a) Approval of Agenda
- (b) Approval of Minutes

B. REPORTS

(4 hrs)

- B-1 Executive Director's Report (including review of SOPPs proposed rule)
- B-2 NMFS Management Report
- B-3 ADF&G Report
- B-4 NOAA Enforcement Report
- B-5 USCG Report
- B-6 USFWS Report
- B-7 Protected Species Report (including update of SSL BiOp schedule)

C. MAJOR ISSUES/FINAL ACTION ITEMS

C-1 GOA Groundfish Issues (8 hrs)

- (a) Review alternatives for CGOA Rockfish Program.
- (b) Review alternatives for parallel waters issue in P.cod Sector Split.
- (c) Review Discussion paper on GOA vessel capacity. (T)

C-2 BSAI Fixed Gear Parallel Fisheries (4 hrs)

Final Action on amendment to limit access in P. cod parallel waters fishery.

C-3 BSAI Crab Program (12 hrs)

- (a) Initial Review of Emergency Delivery Relief analysis.
- (b) Review discussion papers:
 - 1) Right of first refusal
 - 2) Western AI golden king crab regionalization and PQ issues
 - 3) Extinguishing crab PQ
 - 4) Leasing restrictions
- (c) Discuss plan for 5-year review of the program and provide direction.
- (d) Review Crab Plan Team report, draft SAFE and approve OFLs, rebuilding plan alternatives.

C-4 Bering Sea Salmon Bycatch (6 hrs)

- (a) Refine alternatives and purpose/need statement for the chum salmon bycatch analysis.
- (b) Receive discussion paper and committee report on salmon bycatch data collection.

C-5 MPA Nomination Process (2 hrs)

Review status and discuss next steps.

NOTE: Council may take action as necessary on all matters listed on the Agenda

D. OTHER ISSUES

- D-1 National Issues (4 hrs)
(a) Initial Review of analysis to establish permit fees for all fisheries.
(b) Discuss workplan to meet ACL requirements and take action as Necessary and salmon FMP withdrawal.
- D-2 Groundfish Issues (4 hrs)
(a) Initial Review of analysis of bottom trawl gear sweep requirements.
(b) Initial Review of analysis to set catch specifications for the BSAI skate complex.
- D-3 Ecosystem Issues (4 hrs)
(a) Status report on the HAPC process and take action as necessary.
(b) Review of Northern BS Research Plan.
- D-4 Staff Tasking (4 hrs)
(a) Review Committees and tasking.
(b) Discuss Rural Outreach Committee activities.
(c) Review groundfish policy objectives and workplan.
- D-5 Other Business

(T) = tentative

Total Hours: (52 hrs)

NORTH PACIFIC FISHERY MANAGEMENT COUNCIL

Draft Agenda and Schedule

June 2009

	SSC King Salmon/Iliamna	AP Dillingham/Katmai	Council Aleutian	
Monday Jun 1	8:00 am C-3 BSAI Crab Program	8:00 am C-1 GOA Groundfish Issues		
	1:00 pm C-3 continued	1:00 pm C-1 continued		
Tuesday Jun 2	8:00 am Review draft minutes 9:00 am C-4(b) Salmon Bycatch Data Collection Crmte Rpt D-1 National Issues	8:00 am C-2 BSAI Fixed Gear Parallel Fisheries C-3 BSAI Crab Program		
	1:00 pm D-2 Groundfish Issues	1:00 pm C-3 continued		
Wednesday Jun 3	8:00 am Review draft minutes 9:00 am D-3 Ecosystem Issues	8:00 am C-3 continued		8:00 am B Reports
	1:00 pm continue as necessary	1:00 pm C-4 BS Salmon Bycatch D-1 National Issues		1:00 pm C-1 (a) GOA Groundfish Issues (only (a))
Thursday Jun 4		8:00 am D-1 continued D-2 Groundfish Issues	8:00 am C-2 BSAI Fixed Gear Parallel Fisheries	
		1:00 pm D-2 continued	1:00 pm C-1(b, c) GOA Groundfish Issues	
Friday Jun 5 Reception – 6pm		8:00 am D-3 Ecosystem Issues	8:00 am C-4(b) Salmon Bycatch (only (b)) C-3 BSAI Crab Program	
		1:00 pm D-4 Staff Tasking	12:00pm Executive Session 1:00 pm C-3 cont.	
Saturday Jun 6			8:00 am C-3 cont.	
			1:00 pm C-4(a) Salmon Bycatch	
Sunday Jun 7	8:00 am C-5 MPA Nominations D-1 National Issues			
	1:00 pm D-1 continued D-2 Groundfish Issues			
Monday Jun 8	8:00 am D-2 continued			
	1:00 pm D-3 Ecosystem Issues			
Tuesday Jun 9	8:00am D-4 Staff Tasking			
	1:00 pm continue as necessary			

NOTE: The above agenda items may not be taken in the order in which they appear and are subject to change as necessary. All meetings are open to the public with the exception of Council Executive Sessions.

JUNE 2009

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 SSC/AP – Anch Hilton	2 SSC/AP	3 SSC/AP Council	4 AP/Council	5 AP/Council	6 AP/Council
7 Council	8 Council	9 Council Capital Hill Oceans Week – DC thru 11th	10 AK Marine Ecosystem Forum	11 NOAA Fish Fry	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29 BBRKC CIE Review – AFSC thru 7/2	30				

JULY 2009

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2	3 HOLIDAY	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20 IFOMC Conference – Portland, Maine	21	22	23	24	25
26	27	28	29	30	31	

AUGUST 2009

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30 AFS - Nashville, TN - thru 3rd	31					

SEPTEMBER 2009

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 PSMFC Annual Mtg - thru 3 rd Donut Hole/CC thru 5th	2	3	4	5
6	7 HOLIDAY	8	9	10	11	12
13	14 Crab PT - AFSC thru 9/16	15 Non-Target Species Committee - Sea (T)	16 Groundfish PT - AFSC thru 18th	17	18	19
20	21	22	23	24	25	26
27	28	29	30 IFQ Implementation Team (T)			

OCTOBER 2009

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 SSC/AP – Anch Hilton	2 SSC/AP	3 SSC/AP/ Council
4 AP/Council	5 AP/Council	6 AP/Council	7 Council	8 Council	9 Council	10
11	12	13	14	15	16	17
18	19 International Arctic Symposium – Capt Cook thru 21st	20	21	22	23	24
25	26	27	28	29	30	31

NOVEMBER 2009

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3 Rebuilding Depleted Fish Stock – Germany thru 6th	4	5	6	7
8	9	10	11	12	13	14
15	16 Groundfish PT – AFSC thru 11/20	17	18	19	20	21
22/29	23/30	24	25	26 Holiday	27	28

DECEMBER 2009

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 IPHC Interim Mtg thru 2nd	2	3	4	5
6	7 SSC/AP – Anch Hilton	8 SSC/AP	9 SSC/AP/ Council	10 AP/Council	11 AP/Council	12 AP/Council
13 Council	14 Council	15 Council	16	17	18	19
20	21	22	23	24	25 Holiday	26
27	28	29	30	31		

JANUARY 2010

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1 HOLIDAY	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18 HOLIDAY NO Pac Marine Science Conf thru 22nd	19	20	21	22	23
24/31	25 IPHC mtg – Sea thru 29th	26	27	28	29	30

FEBRUARY 2010

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4	5	6
7	8 SSC/AP - Benson Portland	9 SSC/AP	10 SSC/AP/ Council	11 AP/Council	12 AP/Council	13 AP/Council
14 Council	15 HOLIDAY Council	16 Council	17	18	19	20
21	22 HOLIDAY	23	24	25	26	27
28						

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Certified: Shaw Benz
Date: 5/22/09

SCIENTIFIC AND STATISTICAL COMMITTEE to the NORTH PACIFIC FISHERY MANAGEMENT COUNCIL March 30-April 1, 2009

The SSC met during March 30-April 1, 2009 at the Hilton Hotel, Anchorage, Alaska. Members present were:

Pat Livingston, Chair

NOAA Fisheries—AFSC

Robert Clark

Alaska Department of Fish and Game

Gordon Kruse

University of Alaska Fairbanks

Terry Quinn II

University of Alaska Fairbanks

Doug Woodby

Alaska Department of Fish and Game

Keith Criddle, Vice Chair

University of Alaska Fairbanks

Anne Hollowed

NOAA Fisheries—AFSC

Franz Mueter

University of Alaska Fairbanks

Farron Wallace

Washington Dept of Fish and Wildlife

Troy Buell

Oregon Department of Fish and Wildlife

George Hunt

University of Washington

Lew Queirola*

NMFS—Alaska Region

Ray Webster

International Pacific Halibut Commission

* attended via teleconference

Members absent were:

Sue Hills

University of Alaska Fairbanks

Kathy Kuletz

US Fish and Wildlife Service

Seth Macinko

University of Rhode Island

C-2 Salmon Bycatch

Diana Stram (NPFMC) provided a brief introduction of this agenda item. Public comment on the Draft EIS has been received, a response to those comments has been released, and the Draft EIS has been revised in response to some of the public comments. The Council is scheduled to select a preferred alternative and take final action at this meeting. In February 2009, the Council requested SSC assistance in evaluating aspects of its Preliminary Preferred Alternative (PPA) for the April meeting. Specifically, they requested SSC advice on:

1. Whether the elements of each incentive plan adequately address the Council's objectives in the PPA of:
 - Providing incentive(s) for each vessel to avoid salmon bycatch under any condition of pollock and salmon abundance in all years;
 - Including rewards for salmon bycatch avoidance and/or penalties for failure to avoid salmon bycatch at the vessel level.

2. Whether the programs can be expected to promote reductions in actual individual vessel bycatch rates, relative to what would have occurred in absence of the incentive program. Incentive measures must promote salmon savings in any condition of pollock and salmon abundance, such that they are expected to influence operational decisions at bycatch levels below the hard cap.

John Gruver (UCB) and Karl Haflinger (Sea State Inc.) provided an overview and responded to questions about the Salmon Savings Incentive Plan (SSIP). Stephanie Madsen (PCC) and Joe Plesha (Trident Seafoods) provided an overview and responded to questions about the Financial Incentive Plan (FIP). Alan Haynie (AFSC) provided a review of key features of the SSIP and FIP in the general context of policy responses to externalities. Diana Stram (NPFMC) and Sally Bibb (NMFS-AKR) provided clarification regarding alternatives for structuring a backstop cap for vessels that opt-out of the ICA. **The SSC appreciates the quality of these analyses and the effort that has gone into their preparation and presentation.**

Public testimony was provided by William Beans (Mountain Village), Joe Plesha (Trident Seafoods), Brent Paine (United Catcher Boats), Bob Dooley (United Catcher Boats), Glenn Reed (Pacific Seafood Processors Association), Paul Peyton (Bristol Bay Economic Development Corporation), Erik Weingarth (Yukon River Panel), Jon Warrenchuk (Oceana), and Sky Starkey (Association of Village Council Presidents).

The SSC reviewed the Draft EIS in June, 2008, and commented on early conceptualizations of the elements of a Chinook salmon prohibited species bycatch inter-cooperative agreement (ICA), in February 2009. In preparation for this meeting, the SSC has benefited from the opportunity to review a formal description of the draft ICA, a paper (Kochin, Riley, Kujundzic, & Plesha¹) on theoretical underpinnings of the FIP, a paper (Barzel and Kochin²) on possibilities of gaming and exercise of market power under the FIP and suggestions for eliminating those undesirable features, a paper (Wilén³) that considered both the SSIP and the FIP, a letter (Murphy⁴) on the likelihood that the SSIP will exceed the performance standard, a letter (Kochin and Riley⁵) that explores the controllability of bycatch rates under the FIP, and papers (Sugihara & Ye^{6,7}) describing an alternative approach to incentivizing bycatch avoidance. The ICA description and the contributed papers have been very helpful. These highly regarded specialists and their critical perspectives have helped shape the SSIP and FIP. Haynie's review of the draft ICA was also influential in shaping the SSIP and FIP, and helped the SSC fully understand the efficacy of these plans. **The draft ICA, itself, has evolved and improved rapidly, a testament to the goodwill and hard work of many stakeholders.**

Below, we address the questions that the Council posed and provide additional observations for the Council's consideration.

In response to the Council's questions to the SSC:

1. **Do the SSIP and FIP provide incentives (rewards or penalties) for each vessel to avoid salmon bycatch under any condition of pollock and salmon abundance in all years?**

¹ Kochin LA, CC Riley, A Kujundzic, and JT Plesha. Analysis of an incentive-based Chinook salmon bycatch avoidance proposal for the Bering Sea pollock fishery. November 2008.

² Barzel Y and LA Kochin. Letter to JT Plesha regarding the Market Share problem. January 2009.

³ Wilén JE. Analysis of alternative incentive plans for reducing salmon bycatch in the pollock fishery. March 2009.

⁴ Murphy J. Letter to G Reed regarding expected bycatch under the Salmon Savings Incentive Plan. March 26, 2009.

⁵ Kochin LA and CC Riley. Comments on the efficacy of incentives. March 2009.

⁶ Sugihara G and H Ye. Reducing Chinook salmon bycatch with market-based incentives: individual tradable encounter credits. March 13, 2009.

⁷ Sugihara G and H Ye. Why hard caps and fixed targets for managing bycatch of Alaskan Chinook and the Alaskan economy. March 2009.

Our response to this question is unambiguously affirmative for the SSIP and a qualified affirmative for the FIP. The qualification to our finding on the FIP is that the FIP generates financial incentives that, though calculated at the vessel level, would be paid at the level of fishing companies. Although it is likely that companies will create additional internal incentives that apply to the operators of individual vessels, such incentives are not explicitly specified or required in the FIP. Furthermore, the FIP derives its incentive structure from a highly competitive performance hierarchy that impedes collaboration, information sharing, and cooperative bycatch avoidance behaviors. The FIP may also advantage companies with multiple vessels and greater levels of operational integration, relative to single vessel operations.

The mechanisms used to create incentives to avoid bycatch under the FIP and SSIP differ. Under the FIP, the incentive is a combination of financial awards and penalties that redistribute a pool of funds, based on “relative” bycatch rates. Consequently, the incentives under the FIP are active at all combinations of pollock and salmon abundance. Indeed, incentives under the FIP remain active even at Chinook prohibited species bycatch rates that may be technologically unavoidable. The SSIP rewards prohibited species bycatch avoidance through the accrual of salmon prohibited species catch (PSC) credits. It establishes individual vessel Chinook bycatch allowances and, thus, by definition, provides incentives that apply at the individual vessel level. Individual Chinook PSC allowance amounts are designed to be binding at bycatch levels that approach the Council’s established performance standard (i.e., proportionate share of 47,591). At low salmon abundance levels, the individual Chinook prohibited species bycatch caps are less binding, but incentives remain intact. The SSIP provides a financial opportunity for one vessel to sell unused Chinook bycatch allowances to another vessel(s) that has exhausted its individual bycatch allowance or, alternatively, to bank unused Chinook salmon bycatch allowances, providing an insurance benefit. The insurance and sales incentives apply at all levels of biomass, but decline at low levels of Chinook abundance, where the rolling hot spot system of the SSIP provides additional incentive to avoid Chinook PSC. The SSIP moderates potential cumulative impacts on Chinook PSC removal totals, by incorporating a “discount rate” on transferred Chinook bycatch allowances, and an “expiration date” on banked bycatch allowances. Both serve to enhance the inter-annual stability of aggregate Chinook PSC removals, but the expiration date reduces the value of banked PSC salmon as the expiration date approaches.

2. Can the FIP and SSIP be expected to reduce individual vessel bycatch rates relative to what would occur in absence of an incentive program?

There is evidence of consistent heterogeneity in bycatch rates across vessels, and serial correlation of bycatch rates through time at the scale of haul, trip, and year. Non-randomness is a precondition for the successful application of an incentive program leading to reductions in “individual vessel bycatch rates, relative to what would occur in (the) absence of an incentive program”. As noted above, both the FIP and SSIP have incentive structures that operate at all levels of pollock and salmon abundance. **Therefore, the FIP and SSIP can be expected to lead to reductions in Chinook salmon prohibited species bycatch rates, relative to what would be achieved in the absence of an incentive program.**

Decisions regarding the magnitude of the backstop cap for the opt-out pool and its relationship to the 68,392 hard cap could affect Chinook bycatch totals and the effectiveness of the incentive programs. For example, treating the backstop cap as an open access pool, could result in Chinook bycatch overages in the backstop and possibly in the overall cap. If those PSC overages are deducted from bycatch allowances issued under the FIP or SSIP, this could lead to ICA season compression, disruption of transfer prices, and reduction of the incentive to avoid Chinook bycatch.

While the 80% inter-seasonal rollover provision was envisioned as a mechanism for reducing Chinook bycatch, it may reduce the incentive to avoid bycatch as A-season target catch limits are approached.

Higher prices paid for pollock roe, compared to other product forms in the A season, have the potential to reinforce this tendency.

Because the PPA limits Chinook salmon bycatch amounts, but does not create simultaneous limits on chum salmon PSC amounts, actions taken to reduce Chinook bycatches or bycatch rates could increase chum bycatch and bycatch rates. This will need to be analyzed when chum salmon bycatch measures are developed.

The ICA does not address details of compensation mechanisms for third parties, used to oversee bycatch rates, transfers, and salmon savings. Nor does it address the possibility that a CDQ could opt-out of the ICA (and the implications for Chinook bycatch management, should that occur).

The ICA and specific details of the FIP and SSIP were developed in the context of a PSC hard cap of 68,392 Chinook and a PSC performance standard of 47,591 Chinook. Changes in the cap, changes in the performance standard, or other substantive changes in PPA performance criteria could prompt renegotiation of the ICA and reconsideration of design features of the FIP and SSIP, with unknown consequences for Chinook bycatch. However, the economic incentives provided by a FIP or SSIP can be expected to operate effectively over a wide range of hard caps and performance measures.

While retrospective analyses, featured in some of the papers provided for Council review, provide useful examples of the types of effects that could result from adoption of the SSIP and FIP, the examples should not be mistaken as predictions of the actual outcomes. By definition, the SSIP and FIP change incentives, and fishing companies and fishing vessel operators will respond to those new incentives. Vessels that have a history of high bycatch rates did so under conditions that, for the most part, rewarded operators who maximized the value of their target catches, and not those that minimized Chinook salmon bycatch rates. Under the SSIP and FIP, high prohibited species bycatch rates engender high opportunity costs. Successful fishing companies will balance the value of target catches and the opportunity cost of Chinook PSCs. Under the new incentives, erstwhile black sheep could reinvent themselves as spotless lambs.

Over the past three decades, the Council has tried a variety of strategies to reduce Chinook bycatch. Past strategies have not prevented unusually high levels of bycatch. Amendment 91 represents yet another attempt to rein-in Chinook salmon bycatch. Some features of Amendment 91 have well understood consequences. For example, the introduction of a hard cap will prevent the reoccurrence of unusually high annual bycatch totals, but on its own could lead to a race for bycatch. Other features of Amendment 91 are novel, such as the reliance on stakeholder-designed bycatch avoidance incentives, and may have unexpected consequences. In light of these novel features, **implementation of Amendment 91 should mandate preparation of annual reports that document PSC bycatch rates, Chinook bycatch transfer prices, quantities, dates, and parties of transfers, payments made in the FIP, and banked salmon PSC amounts in the SSIP. The annual reports should provide enough information to allow NMFS, the Council, and the SSC to judge performance, with respect to the ICA requirements specified in the PPA. In addition, the efficacy and consequences (e.g., inadequate performance of the ICA would trigger a consequence) of Amendment 91 should be subject to a thorough program review three to five years after implementation.**

The SSC has noted in its previous evaluation of the EIS and the alternatives that there are two fundamental purposes implicit in the proposed action: first, compliance with National Standard 9⁸, and second, reduction in the extent to which Chinook bycatch in the BSAI pollock fishery adversely affects the return of Chinook salmon to rivers of origin, especially in western Alaska. While it is clear that the PPA will contribute to both of these objectives relative to the status quo, the practicable extent to which Chinook bycatch can be reduced will only be seen upon implementation, and the extent to which

⁸ Conservation and management measures shall, to the extent practicable, (A) minimize bycatch and (B) to the extent bycatch cannot be avoided, minimize the mortality of such bycatch.

reductions in Chinook bycatch in the BSAI pollock fisheries will contribute to increased returns of Chinook to their rivers of origin is unknown. As we previously noted, the EIS analyses and bycatch impact model, by region and stream of origin, show what the effects of the alternatives would potentially have been in the years 2003 through 2007, but there is uncertainty about what the impact of these measures might be in future years.

Thus, the recommended program review should consider the results of ongoing genetic and ecological studies that could contribute to improved understanding of the significance of linkages between bycatch mortality and Chinook salmon returns to rivers of origin. In addition, the review should address structural changes in the organization and ownership of pollock fishing companies, changes in the timing and location of fishing activities, changes in the number of active fishing vessels and the magnitude of catch shares fished by each vessel, and changes in the mix of products, where such changes may be attributable to Amendment 91. Additional information that would be useful for assessing the impacts of Amendment 91 would include logbook reports that document hauls with and without excluders and information about how decisions to change fishing location, depth, and haul duration may have been based on concern about Chinook salmon PSC rates.

While not part of the PPA, collection of additional data from bycaught Chinook PSC could be invaluable. For example, tissue samples could be used to determine stock of origin. Size, sex, and age data could contribute to improved modeling of the impact of Chinook prohibited species bycatches, by region of origin. Information on condition and stomach contents of Chinook PSC could contribute to an improved understanding of ecological linkages that lead to the co-occurrence of pollock and Chinook. Improved understanding of the ecological mechanisms that bring pollock and salmon together at some times and places and not others, could ultimately facilitate bycatch avoidance.

D-1 (a) Halibut sorting EFP

John Gauvin (Best Use Cooperative) described an EFP application submitted by BUC to conduct a pilot study that will examine the efficacy of approaches to reducing mortality of halibut prohibited species bycatch on Amendment 80 vessels. Catches in the non-pelagic trawl fishery are increasingly constrained by halibut bycatch, even though Amendment 80 vessels use hotspot avoidance and halibut excluders in an effort to reduce bycatch. The objective of this EFP is to explore whether mortality for halibut bycatch can be reduced by minimizing time on deck. The ultimate goal of this work is to increase usage of TAC for flatfish, including arrowtooth flounder, while reducing halibut PSC mortality.

As noted by Mr. Gauvin, the proposed work under this EFP is a feasibility study, and not a designed experiment for evaluating effectiveness of a new method, or comparing different methods. The study will try to minimize halibut bycatch mortality during regular fishing operations through immediate on-deck sorting of catches, as well as testing electronic monitoring equipment to monitor deck sorting.

The SSC appreciates receiving a well laid-out and detailed EFP application and we recommend that the Council approve the EFP. The proposed work has the potential to result in real benefits for the industry and provide conservation benefits in the form of reduced halibut PSC mortality.

While we realize that the focus of this study is to iteratively develop a practical approach to quickly sort halibut on deck under different conditions to minimize mortality, we encourage the authors to collect as much usable information as practicable to evaluate factors affecting viability of halibut. To that end, in addition to length and viability measurements, we suggest tracking time on deck for each individual fish and recording potentially influential covariates, such as tow length, depth of water, target species, total weight of haul, air and water temperature, and major changes in operation. This would provide valuable preliminary data for designing potential follow-up studies, and for developing testable hypotheses. We also note that the cost associated with increased monitoring, required to accurately account for halibut

sorted on deck, will affect the practicability of adopting these measures in the fishery, and we recommend that data associated with these costs be collected and reported. Finally, we point out that this and similar studies provide an opportunity for tagging halibut, if such efforts fit into the overall IPHC research plan.

D-1 (b) HAPC evaluation criteria and EFH 5-yr review methodology

The SSC received reports by Diana Evans (NPFMC) and Matt Eagleton (NMFS) regarding evaluation criteria for Habitat Areas of Particular Concern (HAPCs), and the process now underway for a review of Essential Fish Habitat, 5 years after the initial EFH EIS was completed for the North Pacific. Public testimony was provided by Jon Warrenchuk (Oceana).

The SSC considered the proposed review process and suggests scheduling reviews of HAPC and EFH on the same timelines (i.e., the process can be paired with the 5 year EFH review process). With regard to the four HAPC “considerations” (identified on page 5 of the Council materials under D-1(b)(1); hereafter referred to as criteria), the SSC recommends forming a workgroup to improve definitions of the criteria for use in the HAPC proposal review process. The workgroup should include some Council staff, NMFS Habitat Conservation Division representatives, Plan Team members (possibly chairpersons), and SSC members. SSC members available for this workgroup are Anne Hollowed, Doug Woodby, and Farron Wallace. This group will work by corresponding between now and the June, 2009 NPFMC meeting to produce a revised draft.

At this point, the SSC recommends the following changes to the HAPC proposal review criteria:

1. The definition of “Rarity” should be accounted for in two categories, global and local. Global rarity (as in Table 1 at the bottom of page 13 of Council materials for item D-1(b)(1)) should be formally defined. The definition for local rarity should be retained (as in the table at the top of page 13).
2. Split the “Ecological Importance” criterion into “habitat complexity” (features, structure, etc.) and “habitat associations” between the habitat and the production of managed species.
3. “Sensitivity” should be redefined as resilience, and the metric should be the “expected recovery rate”. A rank of low (=1) would be for fast recovery, whereas a rank of high (=3) would be for slow recovery.
4. For each criterion, there should be an additional column in the review matrix for “Data Certainty”, pertaining to that criterion, instead of a single stand-alone column with the heading (as in the table at the bottom of page 7 of Council materials for item D1b1).

The SSC requests further definition of item iii on page 5. Specifically, the SSC requests information be provided from the EFH rule and guidelines on the definition of “development” and whether fishing or non-fishing impacts or both were intended to be the focus. Also, it was noted that the previous call for proposals was limited to sites that are “largely undisturbed and occur outside core fishing areas.” The SSC requests clarification as to whether this would continue to be a requirement for the next call for proposals. This will assist the workgroup in devising the appropriate ranking definitions for each criterion.

In regard to the EFH review process, the SSC requests that the AFSC and the Alaska Regional office of NMFS provide the EFH analytical team with a summary that describes how EFH related research has advanced our understanding of habitat associations, recovery rates, and impacts analyses. In regard to the fishing effects model, the CIE review highlighted that EFH impacts should be considered as an independent variable influencing growth, reproductive success, and distribution. The long-term effects index (LEI) approach undertaken in the EFH EIS analysis prevented this consideration, because it did not provide a temporal view of shifts in habitat impacts. The SSC requests that the analysts attempt to describe the temporal pattern of habitat impact.

D-2 Scallop SAFE review

Gregg Rosenkranz (ADF&G) presented preliminary results from scallop research activities, and summarized the 2009 February Scallop Plan Team (SPT) minutes. Public testimony was presented by Jim Stone (Alaska Scallop Association).

The SPT minutes reflect many of the same issues the SSC discussed in previous SAFE reviews. The SSC notes that the Scallop FMP will need to be amended to comply with ACL requirements. Given that the ACLs need to be set by 2011, the SSC recommends that the SPT initiate the process to develop ACLs, providing justification and incorporating uncertainty into the estimates. The SSC recommends the development of an FMP amendment to comply with new ACL rules. SAFE authors should consider developing a set of tier levels that address differing information levels to establish these specifications.

The SAFE document, itself, is not well organized and includes a set of documents prepared for other purposes. This was formerly also the case for the Crab SAFE. Separate annual documents should be integrated into one comprehensive document, in which Appendices include only occasional special additions. The report should contain necessary information to evaluate reference points (OFLs, GHLS, etc.). In restructuring the SAFE, the SSC recommends that the authors use the guidelines for the Crab and Groundfish SAFE documents as a template.

In the March/April 2008 SSC minutes, the SSC recommended that "next year's SAFE include an explanation in the management chapter describing the process by which changes to GHLS are determined each year", by registration area. This has not yet been accomplished. This topic is of particular interest with respect to potential biological conservation issues. The SSC further notes that, without prior documentation of the process (and undocumented scallop research conducted on local scales), there is concern of loss of institutional knowledge as managers and biologists retire. Mr. Rosenkranz reported that the current procedures used to set GHLS are more qualitative, and vary among regions based on levels of information and historical practice. The SSC requests that the authors articulate the process by which fishery information (e.g., fishery CPUE, age/size composition, apparent recruitment levels) is used by managers to adjust GHLS. The SSC requests the SPT to work with ADF&G fishery managers to move toward more formalized and consistent control rules that are biologically based to aid in a transparent process for setting guideline harvest levels (GHLS) within registration areas each year.

The SSC makes the following additional requests:

- 1) The SSC encourages the development of a statewide ageing protocol and development of an age-structured model for scallop stocks in the Central Region.
- 2) The SSC would like to see the investigation of scallop movement within beds as a research priority, with the purpose of determining whether scallops can fill areas previously harvested.
- 3) SAFE authors should consider modeling the ecosystem section of the scallop SAFE after the groundfish SAFE and remove the last sentence in section 4.1.
- 4) The SAFE should include a more thorough description of predator-prey relationships, including effects of fishing on scallop predators, as well as considerations of habitat effects and bycatch.
- 5) An implementation plan should be developed for a potential statewide scallop survey, so that its efficacy can be evaluated. This should consider cost and efficiency of video review, transcription and the potential for sub-sampling.
- 6) The SSC encourages an evaluation of differences in dredge selectivity between fishing regions.

ADVISORY PANEL MINUTES
North Pacific Fishery Management Council
March 30-April 4, 2009

Approved _____

Date _____

The following members were present for all or part of the meetings

Joe Childers
Mark Cooper
Craig Cross
Becca Robbins Gisclair
Tom Enlow
Tim Evers

Jeff Farvour
Jan Jacobs
Bob Jacobson
Simon Kinneen
Chuck McCallum
Mike Martin

Matt Moir
Rex Murphy
Theresa Peterson
Ed Poulsen
Beth Stewart

The AP unanimously approved the minutes from the previous meeting.

C-1 Fixed Gear LLP recency

The AP made the following changes to the Alternatives and Options and modified the problem statement as follows: (deletions are shown in strikethrough, and bold and underlined information is new language.)

~~Alternative 1. No Action. No changes would be made to the current License Limitation Program.~~

Alternative 2.

Add non-severable gear-specific Pacific cod endorsements to fixed gear licenses. Pacific cod endorsements would limit entry into the directed Pacific cod fisheries in Federal waters in the Western and Central GOA.

Component 1 – Area included
Western GOA

Central GOA (current LLP endorsement includes West Yakutat)

- Different options may be applied to each management area.

Component 2 – Identify and define sectors

The sector definitions for awarding Pacific cod endorsements may be different from those used for the GOA Pacific cod sector split action. The purpose of sector definition in this action is to allow the Council to select different catch thresholds for the different gear types, operational types and vessel lengths. Individual licenses may for any combination of a jig, hook-and-line, and a pot endorsement if the license meets the respective threshold(s) for the appropriate gear type, operational type and vessel length.

- Hook-and-line CP
Option: ~~Hook-and-line CP~~ ≥ 125
~~Hook-and-line CP~~ ≤ 125
- Hook-and-line CV
Option: Hook-and-line CV ≥ 60
Hook-and-line CV < 60
- Pot CP
- Pot CV
Option: Pot CV ≥ 60
Pot CV < 60

- Jig (LLPs that received jig gear Pacific cod endorsements are exempted from jig gear restrictions.)

Exempt vessels using jig gear from the LLP requirement (including Pacific cod endorsement requirement) that using a maximum of 5 jigging machines, 5 lines, and 30 hooks per line or one line of 150 hooks.

Option: Exempt vessels participating with fixed gear in the Western GOA B season directed Pacific cod fishery from the Pacific cod endorsement requirement.

Suboption: Exempt vessels using pot gear only

- For pot CV LLPs that qualify for a pot endorsement with an MLOA of <50' will be increased to 50' MLOA.

Component 3 – Qualifying years

~~Option 1: 2000 – 2006~~

Option 2: 2002 – 2006

Option 3: Add the qualifying period January 1, 2007 through:

Suboption 1: June 4, 2008

~~Suboption 2: December 8, 2008~~

~~Either of these suboptions will may be selected in addition to one of the qualifying periods in Option 1 or Option 2.~~

Suboption 3: If an LLP license qualifies only when the supplemental range of years in Suboption 1 or ~~Suboption 2~~ is included, any Pacific cod endorsements granted to licenses under ~~these~~ suboptions would be extinguished upon transfer of the LLP license to another person or designate another vessel or owner after March 31, 2009. A vessel may be replaced if a person submits clear and unambiguous written documentation that the vessel can no longer be used in the fishery due to actual total loss or constructive total loss. If an LLP license would have qualified for an endorsement under this supoption but is not assigned to a vessel as of March 31, 2009 it would not receive an endorsement.

~~If a GOA hook and line catcher processor LLP license holder was a voluntary non-participant in the Freezer Longliner Coalition informal PSC co-op efforts for 2006, 2007, or 2008, and does not qualify under Component 3, Options 1, 2, or 3, the LLP would not be extinguished. If Pacific cod endorsements are a result of this action in the GOA hook and line CP sector, the LLP would receive a Pacific cod endorsement~~ If a GOA hook-and-line catcher processor LLP license holder was a voluntary non-participant in the Freezer Longliner Coalition informal PSC co-op efforts of 2006, 2007, or 2008, the LLP would receive a Pacific cod endorsement. If gear-specific Pcod endorsements are a result of this action, the licenses would receive a H&L Pcod endorsement, but would only be allowed to participate in the offshore Pacific cod fishery.

Component 4 – Catch thresholds

Thresholds shall be based on legally retained catch in the aggregate during all of the qualifying years in the Federal and parallel fisheries (excluding IFQ catch). Separate and distinct thresholds may be determined for each defined sector.

~~Option 1: All directed Pacific cod 1, 3, or 5 landings (resulting in a Pacific cod endorsement)~~

Option 2: All directed pacific cod

Hook-and-line CV < 60 feet and Pot CV < 60 feet = 10 MT (resulting in a Pacific cod endorsement)

Hook-and-line CP, Pot CP, Hook-and-line CV ≥ 60 feet and Pot CV ≥ 60 feet = 50MT (resulting in a Pacific cod endorsement)

Jig =5 MT (resulting in a Pacific cod endorsement)

For licenses with a MLOA ≥ 60 feet but assigned to vessels with a LOA of < 60 feet, those licenses that do not meet the higher threshold (i.e. ≥ 60 ft) can qualify at the lower catch threshold, however the MLOA of the license will be changed to match the LOA of the vessel. The LLP license must have been used on a vessel under 60 feet LOA during the entire qualifying period. The recipient would need to certify the LPA of the vessel as of the effective date of the rule.

~~Option: Hardship provision. A GOA fixed gear LLP holder who had 5 or more Pacific cod landings in 1999, but had a vessel on which the LLP was used sink in 1999 or 2000, shall be credited with qualifying history so as to obtain a Pacific cod endorsement.~~

Directed Pacific cod catch is defined as landings made when the directed Pacific cod fisheries are open. For purposes of catch accounting, licenses are credited with deliveries or processing activity recorded up to 7 days after the directed season closes.

Component 5 – Stacked license provisions

Where there are multiple LLPs registered to a single vessel, also known as ‘stacking’ of LLPs, groundfish harvest history will be fully credited to all stacked licenses, each carrying its own qualifying endorsements and designations.

~~Component 6 – Capacity/efficiency limits to CV and CP fixed gear LLPs~~

~~Add a width restriction (efficiency restriction) on each CV and CP fixed gear LLP license that is eligible to access Pacific cod under this action. The width restriction would be 1 ft of width for each 3 ft of length, and is based on the LOA of the vessel assigned to the license on December 8, 2008. The licenses that are assigned to vessels on December 8, 2008 that exceed the width restriction will be grandfathered at their present LOA. For vessels under construction on December 8, 2008, the width restriction for the license shall be equal to the vessel width upon completion. Vessels would be required to report width measurements to RAM.~~

~~Option: Add a simple gross tonnage maximum to licenses.~~

Component 7 – CQE community resident exemption

~~CQE community residents currently holding latent, non qualifying, LLP permits shall retain their LLP and area endorsement (s) and be exempt from the Pacific cod endorsement requirement. A hook and line or pot gear endorsement shall be made through (a) a one time designation at the time the endorsement is issued or (b) designated at the time the first Pacific cod landing is made based on the gear type used. The CQE community resident’s LLP, shall not be leased, and can only be transferred to an individual who has lived continuously in the permit holder’s CQE community for 24 consecutive months prior to the transfer and who intends to remain a resident of the community. Residency shall be affirmed annually upon renewal. If a CQE community LLP holder with a restricted transfer LLP is no longer a resident of the CQE community or dies without a designated qualified LP community beneficiary, the community CQE shall designate a qualified individual in the CQE community to hold the restricted transfer LLP.~~

~~Option: Restrict exemption to LLPs with a MLOA endorsement less than 60 ft.~~

The motion passed 11/4.

Minority Report: A motion to keep Component 7 in the document failed 6/9. A minority of the Advisory Panel supported component 7 in the document that would preserve latent LLPs for use by residents of smaller fishery dependent Gulf of Alaska coastal communities to fish cod in federal waters. As an alternative, the minority of six in favor and nine in opposition supported an amendment that would allocate cod endorsed LLPs directly to CQE’s and so avoid the administrative burden that the agency was concerned with regarding exempting residents of CQE communities from losing their LLP cod

endorsements if they had not fished their LLPs recently. While the minority accepted that the legal requirement under national standard 8 may have been satisfied they felt that by stripping component 7 out and not replacing it with a meaningful alternative addressing community impacts, that the congressional intent was concerned with the actual negative community impacts if up to 72 LLPs are eliminated from the smaller fisheries dependent coastal communities. Signed: Chuck McCallum, Becca Robbins Gisclair, Rex Murphy, Theresa Peterson, Simon Kinneen, and Tim Evers.

A motion to exempt LLP licenses on vessels 50 feet and less using pots from threshold criteria to receive cod endorsements failed 6/9.

Minority Report: The minority of the AP supported an amendment to exempt LLP licenses on vessels 50 feet and less using pots from threshold criteria to receive cod endorsement. Six AP members supported with nine opposing. The minority believe that Alaska needs vibrant coastal communities and policy makers need to build in management measures to make this happen. This action would help to allow a level of flexibility in combination fishing operations which make up the bulk of many Alaska harbors. The restraining components for this size class and the ability to carry only a small number of pots will not pose a significant threat to current participants but will provide access to future generations without high cost entry. The entry level component for the jig sector is good, but there should be additional opportunity for small boats. Signed: Theresa Peterson, Chuck McCallum, Rex Murphy, Jeff Favour, Simon Kinneen, Becca Robbins Gisclair.

Additionally, the AP changed the Purpose and Need statement as follows:

“...These long-term participants need protection from those who have little or no recent history and who have the ability to increase their participation in the Pacific cod fisheries. At the same time, ~~retaining Federal waters opportunities for small community quota eligible (CQE) communities dependent on access to a range of fishery resources and expanding~~ entry-level opportunities in Federal waters for small capacity jig operations is valued to promote community protections at a level that imposes minimal impact on historic catch shares of recent participants.

The intent of the proposed amendment is to prevent the future entry or re-entry of latent fixed gear groundfish fishing capacity that has not been utilized in recent years into the Pacific cod fisheries, ~~and to preserve the traditional vessel operational efficiencies within the fisheries.~~ This requires prompt action to promote stability in the fixed gear sectors of the GOA Pacific cod fisheries, and is expected to be implemented concurrently with the division of GOA Pacific cod among sectors which is currently under consideration. However, this action cannot address continued growth in the waters managed by the State of Alaska.”

Motion passed 8/7.

C-2 Salmon Bycatch

The AP recommends the Council approve Amendment 91 to the FMP for Groundfish of the BSAI Management Area which includes adoption of Alternative 4 (PPA), with the following additions (underlined) and deletions (~~indicated as strikethrough~~).

Alternative 4: Preferred Alternative

Alternative 4 would establish a Chinook salmon bycatch cap for each pollock fishery season which, when reached, would require all directed pollock fishing to cease for that season. Components 2-4 specify the allocation and transferability provisions associated with the cap. (Adopting PPA 1 + PPA 2)

Component 1: Hard cap with option for ICA regulated incentive system

Annual scenario 1: Hard cap with an ICA that provides explicit incentive *plan(s)* to promote salmon avoidance in all years

Hard cap if an ICA is in place that provides explicit incentive *plan(s)* for each participant *in the plan* to avoid salmon bycatch in all years:

Overall cap: 68,392, allocated by season and under Components 2-4 as described below:

For those operators *individuals or entities* that opt out of such an ICA, *their collective hard cap will be equal to those individuals' or entities' pro rata share of the backstop cap as follows:*

Overall *back stop* cap: 32,482

CDQ allocation: 2,436

Non-CDQ cap: 30,046

To ensure that the 68,392 Chinook salmon cap is a "hard" cap, subtract from the 68,392 hard cap the pro rata proportion of the 32,482 back stop cap represented by the vessel(s) opting out of the ICA. (option C on page 66 of the DEIS).

~~All salmon bycatch attributed to the AFA pollock trawl fleet will accumulate against this lower cap, but only those operations not in the ICA will be required to stop fishing when has been reached. This backstop cap of 32,482 will not be allocated by sector, so all other components in Alternative 4 are not relevant to this backstop cap. (In the absence of a sector allocation for this backstop cap a 7.5% allocation applies to the CDQ sector by default, and the remaining 92.5% is set as the non-CDQ cap.)~~

Incentive plan requirements:

- An *incentive plan* must provide incentive(s) for each vessel to avoid salmon bycatch under any condition of pollock and salmon abundance in all years.
- Incentive measures must include rewards for salmon bycatch avoidance and/or penalties for failure to avoid salmon bycatch at the vessel level.
- The *incentive plan* must specify how those incentives are expected to promote reductions in actual individual vessel bycatch rates relative to what would have occurred in absence of the incentive program. Incentive measures must promote salmon savings in any condition of pollock and salmon abundance, such that they are expected to influence operational decisions at bycatch levels below the hard cap.

Annual reporting:

- The ICA must be made available for Council and public review.
- An annual report to the Council will be required and must include:
 - 1) a comprehensive explanation of incentive measures in effect in the previous year,
 - 2) how incentive measures affected individual vessels, and
 - 3) evaluation of whether incentive measures were effective in achieving salmon savings beyond levels that would have been achieved in absence of the measures.

Annual scenario 2 (from PPA 2): Hard cap in *the* absence of an ICA with explicit incentive *plan(s)* to promote salmon avoidance

Hard cap in absence of an ICA that provides explicit incentive *plan(s)* *for* all participants to avoid salmon bycatch in all years:

Overall cap: 47,591, allocated by season and under Components 2-4 as described below.

Seasonal distribution of caps

Any hard cap will be distributed based on the average distribution is 70/30, based on the average distributional ratio of salmon bycatch between the A and B seasons in the 2000-2007 period.

Seasonal rollover of caps

No restrictions: There will be no restrictions on rollover of caps for participants in an ICA that includes explicit incentive plan(s).

Component 2: Sector allocation

Separate sector level caps will be distributed within each season for the CDQ sector and the three remaining AFA sectors, the inshore catcher vessel (CV) sector, the mothership sector, and the offshore catcher processor (CP) sector, as follows:

A season: CDQ 9.3% ; inshore CV fleet 49.8% ; mothership fleet 8.0% ; offshore CP fleet 32.9%
B season: CDQ 5.5% inshore CV fleet 69.3% ; mothership fleet 7.3%; offshore CP fleet 17.9%

This distribution is based on the 5-year (2002-2006) historical average of the annual proportion of salmon bycatch by sector within each season, adjusted by blending the bycatch rate for CDQ and non-CDQ partner sectors. It is also weighted by the AFA pollock allocation for each sector; in each season, the proportional allocation by sector comprises the adjusted 5-year historical average by sector weighted by 0.75 for the salmon bycatch history and the AFA pollock allocation by sector weighted by 0.25 (*Motion failed 6/13*)

Component 3: Sector transfers

Allocate salmon bycatch caps to each sector and allow the entity representing each non-CDQ sector and the CDQ groups to transfer salmon bycatch among the sectors and CDQ groups. (NMFS does not actively manage the salmon bycatch allocations).

Component 4: Cooperative provisions

Each inshore cooperative and the inshore limited access fishery (if the inshore limited access fishery existed in a particular year) shall receive a salmon allocation managed at the cooperative level. If the cooperative or limited access fishery salmon cap is reached, the cooperative or limited access fishery must stop fishing for pollock.

The initial allocation of salmon by cooperative within the inshore CV fleet or to the limited access fishery would be based upon the proportion of total sector pollock catch associated with the vessels in the cooperative or limited access fishery.

Cooperative transfers

When a cooperative's salmon cap is reached, the cooperative must stop fishing for pollock and may transfer salmon bycatch from other inshore cooperatives, CDQ groups, or entities representing non-CDQ groups (industry initiated), after which the cooperative may continue fishing again.

ICA Eligibility Policy Statement

No individual or group of individuals shall be able to prevent another individual or group of individuals from implementing an incentive plan by refusing to join an ICA or submitting an ICA to the exclusion of others. (C-2(h) item B page 1 of 9)

An ICA must allow any AFA eligible vessel, cooperative, legal entity, or CDQ group to join the ICA. (C-2(h) item C page 2 of 9).

Motion passed 13/6.

C-3 (a) Bristol Bay Trawl Closure and Walrus issues

The AP has reviewed information presented on the Nearshore Bristol Bay Trawl Area yellowfin sole fishery, and believes that there is no compelling evidence of walrus interaction. However, the AP recommends the Council direct staff to prepare an updated discussion paper that would incorporate 2009 bycatch data; that Council should consider scheduling the discussion paper for the October 2009 meeting; and, the AP further recommends that the Council consider scheduling an outreach effort to Bristol Bay communities for the purpose of presenting the discussion paper and explaining the Council process.

Motion passed 14/0

C-4(a) Review annual report from Best Use Cooperative

The AP received a presentation from Jason Anderson, Executive Director of the Best Use Cooperative

C-4(b) Final action on Amendment 80 cooperative formation criteria

The AP recommends that the Council approve Alternative 1 (status quo – A minimum of three unique quota share holders holding at least nine quota share permits are required to form a cooperative) with the suboption that the GRS shall be applied in aggregate to all cooperatives if this calculation meets or exceeds the GRS requirement.

The AP also recommends that the Council approve the modified purpose and need statement presented on Page 63 of the March 10, 2009 EA:

“As the GRS increases, participants may have increased difficulties meeting the GRS requirements. Allowing cooperatives to aggregate the GRS among all cooperatives could provide additional assurance to cooperatives that a minimum amount of retention is met without requiring specific vessel owners to form a cooperative with other vessel owners who may not share common goals or operating procedures. An aggregate cooperative GRS would continue to further the goals of maximizing groundfish retention while providing some additional flexibility for vessel owners.”

Motion passed 15:2:1

D-1 (a) Halibut Sorting EFP

The AP recommends the Council approve the Halibut Sorting EFP.

Motion passed 17:0