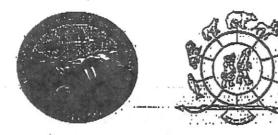
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AGENDA C-3 No. 8988 p Supplemental FEBRUARY 2009





January 27, 2009

Mr. Eric Olson, Chair North Pacific Fishery Management Council 605 W. Fourth Avenue, Suite 306 Anchorage, AK 99501-2252

Mr. Doug Mecum, Regional Administrator, NOAA Fisheries, Alaska Region 709 W. Ninth Street Juneau, AK 99802-1668

RE: Salmon Bycatch in the Bering Sea Pollock Fishery

Dear Mr. Olson and Mr. Mecum:

Collectively, we have submitted dozens of letters and testified on numerous occasions over the years to express our concerns about salmon bycatch in the Bering Sea pollock fishery. Currently, it is our understanding that in-the-water regulations to control salmon bycatch, if there are any, would not be enacted until 2011. The purpose of this letter is to help you hasten your rule-making by clearly articulating our position on key points, in particular the critical importance of implementing a hard salmon bycatch cap and establishing a comprehensive salmon research and management program.

First and foremost, the North Pacific Fishery Management Council (NPFMC) and the National Marine Fisheries Service (NMFS) must take immediate action to minimize the wasteful bycatch of Chinook salmon in the groundfish fisheries that you manage. We strongly urge you to set an absolute limit, a hard cap, to the number of Chinook salmon that can be killed annually by the Bering Sea pollock fishery. For the Bering Sea pollock fishery, we believe the Chinook hard cap should be no greater than 32,500, and we support the Alaska Federation of Natives (AFN) Resolution 08-17 to establish an annual hard bycatch cap of no more than 30,000 Chinook salmon, based in part on the 2009 Alaska Department of Fish and Game Yukon River Chinook salmon forecast and the US-Canada treaty obligations under the Pacific Salmon Treaty.

Setting an annual hard bycatch cap of no more than 32,500 Chinook salmon is a first step. The goal must be to further minimize and reduce salmon bycatch. Thus, the Chinook bycatch cap should be a declining cap, subject to annual review for the amount by which the cap should be decreased. This review should include information on escapement goals and success in meeting those goals, reports on the status of subsistence, commercial and personal use salmon harvests, updates on the stock-of-origin of the bycatch, and new insights in ocean research.

The challenge of managing salmon bycatch exemplifies the need to develop and fund a comprehensive research program to adaptively manage salmon at all life-stages. This gravel-to-gravel research plan which would emphasize hiring and development of local expertise would include community-based salmon research like habitat assessments, integration of traditional knowledge, in-river and ocean sampling for genetic stock identification, and the temporal and spatial use of ocean habitat.

No. 8988 P. JAVVI/UUL

Mr. Olson and Mr. Mecum January 27, 2009

Further, regarding the pollock industry's proposal for internally-managed programs to control salmon bycatch, we do not support any program that allows for the taking of any more than 32,500 Chinook salmon. The current ICA proposals before you suffer from a failure of transparency, public participation, scientific rigor and management oversight and offer no assurance that salmon bycatch will be reduced. We recognize that there are a variety of programs - including incentive programs, gear medifications, and time and area closures - that may have promise for managing bycatch, but all must operate under an annual hard cap of no more than 32,500 Chinook salmon with annual review as above for declining bycatch allowances. Finally, under no circumstances should NMFS and the Council imply or confer ownership rights of the Chinook salmon resource to the pollock fleet.

# li summary, we support action to:

- 1. Immediately establish a hard bycatch cap no greater than 32,500 Chinook salmon, and preferably as low as the Alaska Federation of Natives (AFN) Resolution 08-17 to establish an annual hard bycatch cap of no more than 30,000 Chinook salmon for the Bering Sca pollock fishery.
- 2. Ensure that such cap does not confer to the policek fleet ownership of, nor the right to take, salmon.
- Develop and secure funding for a comprehensive salmon gravel-to-gravel research plan to support management needs. This plan must include community-based research initiatives as well as identification of the stock-of-origin and age of all Chinook salmon caught as bycatch.
- 4. Secure adequate funds to cusure rebuilding and sustainable Chinook escapement through comprehensive management and co-management of salmon by managing for all life-stages of salmon from in-river to estuary to ocean and return.
- 5. Mandate appropriate consultation with Alaskan tribal governments and organizations on resource issues affecting Alasko Natives.

Sincerely,

Vice President, Occana

Myron Naneng

President, Association of

Village Council Presidents

Melanie Edwards on behalf of

Loretta Bullard

President, Kawerak Inc.



January 26, 2009

Mr. Eric Olson, Chair North Pacific Fishery Management Council 605 West 4<sup>th</sup> Avenue, Suite 306 Anchorage, AK 99501 Mr. Doug Mecum, Acting Regional Administrator NOAA Fisheries, Alaska Region PO Box 21668 Juneau, AK 99802

Re: Agenda Item C-3 Salmon Bycatch

Dear Mr. Olson, Mr. Mecum and Council members:

The Yukon River Drainage Fisheries Association (YRDFA) appreciates the opportunity to comment on the issue of salmon bycatch. YRDFA is an association of commercial and subsistence fishermen and women on the Yukon River in Alaska with a mission of promoting healthy, wild salmon fisheries on the Yukon River. Given the dire state of Yukon River Chinook salmon and salmon dependant communities, we urge the Council, as detailed below to:

- Adopt a hard cap of no more than 32,500 immediately;
- Establish a stair-stepped approach which further reduces the hard cap over time;
- Develop and secure funding for research about Western Alaska salmon throughout their lifecycles;
- Reject the industry incentive program proposals.

The state of Chinook salmon, and the communities who depend on them for sustenance and income, has deteriorated rapidly since the Council first began this action, and even since the last Council meeting. As you have heard, the 2008 Chinook salmon run was very poor on the Yukon River, as well as throughout Western Alaska. On the Yukon, subsistence fishing time was reduced by half in Alaska part way through the season, and people met 40 percent or less of their subsistence needs in some places. In Canada, subsistence (aboriginal) fishers voluntarily restricted themselves to half of their historic take. In one community these voluntary restrictions resulted in a total Chinook harvest of only 160 Chinook salmon. The aboriginal harvest for the entire Canadian portion of the run was 2,766 fish, based on preliminary data. There was no directed commercial Chinook salmon fishery on the Yukon in 2008, and the commercial chum fishery was delayed to allow Chinook to pass through, reducing the chum salmon harvest as well. Despite these restrictions, estimated Chinook salmon spawning escapement into Canada was only 32,700 fish, 27 percent below the Yukon River Panel agreed upon goal of 45,000 fish.

The outlook for this coming summer is no better: the Alaska Department of Fish and Game (ADF&G) and the U.S. Fish & Wildlife service are preparing users for further subsistence restrictions in 2009, and have already stated that it is unlikely that a commercial Chinook fishery will be allowed. Fishermen and women throughout the watershed are participating in teleconferences to develop management measures which can be used to restrict their own subsistence harvest to provide escapements to ensure healthy salmon runs in the future.

Yukon River Drainage Fisheries Association C-3 Salmon Bycatch Page 2 of 2

While subsistence restrictions limited the amount of food available for the winter, the lack ok fishery cut off one of the only sources of in the for many Yukon River residents. Cold winter temperatures and high fuel prices have made the lack of contact this season. The promise of the same or worse Chinook salmon return in 2009 is no comfort.

In light of the current state of Yukon River Chinook salmon and the salmon-dependant people of Western Alaska it is essential that this Council put a hard cap on Chinook salmon bycatch immediately. While any amount of bycatch is too much under these circumstances, we understand that the Council is required to balance the need to reduce bycatch with achieving yield from the pollock fishery. We therefore recommend the Council adopt a hard cap of no more than 32,500 immediately. This cap level will reduce bycatch to levels experienced before the Yukon River Salmon Agreement was signed, honoring our international commitments under this treaty and providing necessary protections to Chinook salmon throughout Western Alaska. The hard cap should be a declining cap, reducing salmon bycatch to levels below 32,500 over time while allowing the pollock fishery time to adapt their operations to these expectations. The Council should include in this action a commitment to develop and secure funding for research about Western Alaska salmon, including but not limited to genetic stock identification of salmon caught as bycatch, marine research such as the BASIS program and in-river management and enumeration. Research planning must involve Western Alaska and tribal groups and can provide a scientific basis from which to inform future actions as we learn more about Western Alaska Chinook salmon throughout their lifecycle.

In regard to the industry incentive programs, this Council should reject both proposals as neither can guarantee that it will achieve bycatch reduction to a level sufficient to warrant a cap of 68,000, more than twice that being recommended by many Western Alaska and tribal groups. While it is difficult to provide concrete comments due to the developmental status of the industry proposals, it is clear that both systems depend to some degree on the need for some boats to buy bycatch credits, or conversely a desire to keep bycatch levels down so as to avoid buying credits. It is apparent that a hard cap level of 68,000, based on historical data, will rarely be hit - only in 2006 and 2007 has that number been exceeded, even without the threat of a hard cap in place. Using the most basic marker theory, there is little incentive to buy credits, or fear of losing them, when the hard cap is unlikely to be hit. Beyond this specific inadequacy, industry analysts themselves indicated at the recent salmon bycatch workgroup that they cannot guarantee that these programs will reduce bycatch!

Overall, with Yukon River Chinook suffering, and the people of the Yukon making enormous sacrifices in their own subsistence harvest and commercial fishery, it is imperative that the Council immediately puts in place a system which is guaranteed to reduce salmon bycatch in the pollock fishery. Only a hard cap set at 32,500 or below can provide the degree of protection required to allow Western Alaska Chinook salmon to recover. Thank you for your continued efforts on this issue. We look forward to working with you to reduce Chinook salmon bycatch in the Bering Sea pollock fishery.

Sincerely,

Rebecca Robbins Gisclair Policy Director Raymond Watson, Chairperson Myron P. Naneng, Sr., President

# Association of Village Council Presidents

Office of Administration PO Box 219 • Bethel AK 99559 Phone (907) 543-7300 • Fax: (907) 543-3369



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Nightmute

Paimiut Pilot Station Pitka's Point

Oscarville

Platinum Quinhagak Red Devil

Russian Mission

Scammon Bay Sleetmute St. Mary's

Stony River luksak untutuliak

Tununak Umkumiut January 26, 2009

North Pacific Fisheries Management Council 605 West 4<sup>th</sup> Avenue, Suite 306 Anchorage, AK 99501-2252 FAX: (907) 271-2817

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M.P.F.M.C.

Dear Chairman Olson and Council Members:

It is with an extreme sense of urgency that I write this letter on behalf of our villages to urge you and the members of the North Pacific Fisheries Management Council to adopt measures to drastically reduce the by-catch of our Chinook salmon in the Bering Sea Trawl Fishery to a maximum of 30,000 per year or reduce trawl fishing in the Bering Sea in the "A" season.

In a recent letter written by one of our Tribal members in Emmonak, Mr. Nick Tucker published in the Anchorage Daily News on January 15, 2009, he elaborated on the many economic challenges our people are facing due to the lack of a sustainable commercial fishery along the Lower Yukon River. He tells a story of people who shed tears on a daily basis because their children are cold and hungry, worried where their next gallon of heating fuel is coming from and where their next meal is coming from. This past year, the Chinook salmon failed to return to the Yukon River in the numbers required to sustain even one Chinook directed commercial fishing period. As a result of this failure, many families that have historically commercial fished to provide for their economic needs did not fill the void this year. Unfortunately, our fishery disaster comes to our communities in a year where we face record fuel prices with high costs of transportation, services, and food. What will the future years bring if we continue to allow uncontrolled by-catches?

During this past year, despite the focused coverage on the economic disaster side of the failed return of our Chinook salmon stocks on the Yukon River, our subsistence fishermen have suffered even a greater loss. Due to the small size of the return and Canadian border escapement obligations in accordance with the Yukon Salmon Agreement, the subsistence fishery had to be restricted to 2-36 hour openings per week. When the returning salmon indicated that the run was much smaller, our subsistence fishermen were reduced further to 2-18 hour openings per week and restricted even further to a maximum mesh size of 6 inches or less.

According to the Alaska Department of Fish & Game, the forecasted return of the Chinook on the Yukon River is similar to 2008 and perhaps smaller. In addition to the windows regulations imposed on our people similar to 2008, the Federal Subsistence Management system in Alaska is proposing to make all sales of Chinook salmon from the Yukon River a crime. This proposed regulation, by means of a "Special Action Request" to the Federal Subsistence Board, would essentially make the incidental catch of Chinook illegal to sell to commercial processors in a chum directed opening.

Mr. Chairman and members of the North Pacific Fisheries Management Council, we encourage you to impose emergency measures to reduce or eliminate the Chinook by catch in the Bering Sea Trawl Fishery immediately to assist us in rebuilding our salmon stocks.

If it is not possible to immediately impose a reduction of by catch, we ask that limited trawl fishing occur in the "A" season to protect our valuable Chinook salmon resources.

Sincerely,

Association of Village Council Presidents

Raymond Watson, Chairman

Myton P. Naneng Sr.

President



Elizabeth Andrews PhD
USA

Co-Chairs

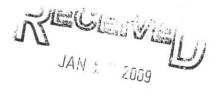
Frank Quinn Canada

Yukon River Panel 100-419 Range Road Whitehorse, Yukon Y1A 3V1

January 26, 2009

Eric Olson, Chair North Pacific Fishery Management Council 605 West 4<sup>th</sup> Avenue, Suite 306 Anchorage, Alaska 99501-2252

Doug Mecum, Acting Regional Administrator NOAA Fisheries, Alaska Region PO Box 21668 Juneau, Alaska 99802-1668



N.P.F.M.C

Re: Industry Programs for Chinook Salmon Bycatch Reduction

Dear Mr. Olson and Mr. Mecum:

This letter provides our general comments on industry programs to reduce Chinook salmon bycatch in the Bering Sea pollock fishery. The North Pacific Fishery Management Council discussed this concept at its June 2008 meeting and included it in Alternative 4 Preliminary Preferred Alternative (PPA) described in the December 2008 "Bering Sea Chinook Salmon Bycatch Management Draft Environmental Impact Statement/Regulatory Impact Review/Initial Regulatory Flexibility Analysis." The Council will be reviewing incentive-based programs at its February 2009 meeting.

At our recent US/Canada Yukon River Panel meeting in December 2008, Dr. Diana Stram of the Council presented to Panel members an overview of the management alternatives. We very much appreciated this presentation and the opportunity to ask questions of Council members and staff about the alternatives and information presented. Some Panel members also attended two presentations of draft reports on industry incentive-based programs, as the concept of an incentive program is a key element of the Council's preliminary preferred alternative (PPA).

http://www.alaskatisheries.noaa.gov/sustainablefisheries/bycatch/default.htm/accessed 12-12-08.

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At the Panel's December 2008 semi-annual meeting, four key points were identified by US and Canadian Panel members, alternates, and advisers: 1) a meaningful regulatory cap is necessary; yet a cap of 68,392 is too high regardless of an incentive program's effectiveness; 2) 100% observer coverage must be required to avoid any attempts to under-report salmon bycatch; 3) any incentive program has to begin working immediately; and 4) an incentive program must include funding, at a meaningful level, to support research relevant to salmon bycatch reduction.

The Yukon River Panel is an international advisory body established under the Yukon River Salmon Agreement for the conservation, management, and harvest sharing of Canadian-origin salmon between the United States and Canada. This Agreement constitutes Chapter 8 of the Pacific Salmon Treaty, which means it has the full power and force of an international treaty between our two nations.

In December 2008, Panel members described to Council members the very poor 2008 Chinook salmon fishing season on the Yukon River. The Canadian Chinook salmon escapement objective was not met for the second year in a row. Fisheries managers closed commercial fishing in the US and Canada; reduced fishing time in the subsistence fisheries in the US and in the lower Yukon River districts only allowed smaller mesh gillnets; reduced sport fishing bag limits in the US; closed sport fishing in Canada; and Canadian First Nations voluntarily reduced aboriginal fishing harvests by more than 50 percent. Even with these severe reductions, spawning escapement of Canadian-origin Chinook was 27 percent below the minimum interim management escapement goal of 45,000.

With the anticipated poor run of Yukon River Chinook salmon in 2009, fishery managers and Panel members will be gathering input from local fishermen regarding salmon management strategies and options to assist getting adequate numbers of Canadian-origin Chinook to the spawning grounds. Management and conservation of Yukon River salmon is challenging during these times of reduced salmon production when restrictions to subsistence fisheries may be necessary.

With in-river measures being taken to conserve salmon and improve escapement, it is equally important to abide by the Pacific Salmon Treaty, Chapter 8, Yukon River Agreement, paragraph 12: "the Parties shall maintain efforts to increase the in-river run of Yukon River origin salmon by reducing marine catches and by-catches of Yukon River salmon. They shall further identify. quantify, and undertake efforts to reduce these catches and by-catches."

It is a major concern to the Panel that without some analysis of incentive-based program proposals, it is difficult to assess the effectiveness of any proposed program to reduce salmon bycatch. We urge the Council to request an analysis of proposals before taking final action.

As the Council reviews incentive-based program proposals during its February 2009 meeting, we ask the Council to evaluate each proposed program with regard to the following: a) monitoring and enforceability; b) meaningful penalties for non-compliance, not simply a "trading" of credits or reducing or phasing out of participation in the fishery; and c) the inclusion of funding from industry for research that will help reduce salmon bycatch in the pollock fishery and to meet escapement goals established by the Yukon River Salmon Agreement.

E. Olson and D. Mecum

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January 26, 2009

We support responsibly managed and monitored sustainable fisheries and recognize that nearly every fishery has some level of bycatch. On behalf of the Yukon River Panel, thank you for your diligent work to reduce Chinook salmon bycatch and for considering our comments during your review of incentive-based programs.

Sincerely,

Elizabeth Andrews

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Co-Chair

Frank Quinn Co-Chair

Yukon River Panel 100-419 Range Road Whitehorse, Yukon Y1A 3V1



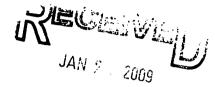
### **Nome Eskimo Community**

Box 1090 Nome, Alaska 99762 Phone (907) 443-2246 Fax (907) 443-3539



January 21, 2009

Robert D. Mecum, Administrator, Alaska Region National Marine Fisheries Service (NMFS) P.O. Box 21668 709 W. 9th Street, Room 420 Juneau, Alaska 99802-1668



N.P.F.M.C

RE: Bering Sea / Aleutian Islands Chinook Salmon EIS

Dear Administrator Mecum,

Nome Eskimo Community (NEC) is the federally recognized tribe for Nome, Alaska and we wish to make formal tribal comment per Presidential Executive Order 13175 for your consideration regarding the Bering Sea Chinook Salmon, Bycatch Management, Draft Environmental Impact Statement / Regulatory Impact Review/, Initial Regulatory Flexibility Analysis, dated December 2008. In September 2008 NEC requested tribal consultation on the EIS.

In September 2008 NEC staff received an early version of a draft EIS. NEC staff posed numerous questions regarding the early version of the EIS which were not satisfactorily addressed by NMFS staff. NEC staff then reviewed the December 2008 EIS which was materially different than the earlier version but addressed many of the questions posed earlier. The EIS is tremendously complex, and it has been very burdensome to review and compile meaningful comments on it.

NEC is concerned about healthy populations of all salmon. NEC tribal members make extensive use of numerous marine, freshwater and terrestrial subsistence resources including chinook salmon. In recent times Nome subsistence fishermen experienced the State's only TIER II fishery. NEC tribal members endured exhaustive closures, and extraordinarily complex fishing regulations in order to meet their subsistence needs. Several decades of declining salmon returns to Nome streams including chinook salmon declines have been hard to deal with. It is our opinion after reviewing all available information that factors outside of local influences dictate salmon populations. It is a long held belief that commercial mid-water, and bottom trawling as described in the EIS are the primary human influences affecting salmon returns to western Alaska streams. Other influences such as severely cold winters, poor ocean conditions, predation, & migration also affect the number of returning salmon. Clearly, commercial midwater, and bottom trawling as described in the EIS enact a heavy annual toll on salmon populations if there are no effective measures to control salmon bycatch.

The EIS describes a bewildering array of alternatives with hundreds of seasonal distribution options, sector allocations, rollovers, cooperative arrangements, and sector transfers. The EIS does not describe other options that the North Pacific Fishery Management Council may have discussed at its recent meetings or work-sessions. It is difficult to understand how the hundreds of options help inform the decision making process. It seems the options provide details about how Chinook salmon management should occur so that Pollock fishing will continue unabated. It is not clear how the management options appease the Magnuson-Stevens Act to reduce salmon bycatch. NEC believes the simplest management scenario is the best course of action, which must be some sort of hard cap with a seasonal distribution, no rollover, and no provisions for inter-cooperative agreements. NEC believes all of the options that the EIS describes other than the hard cap considerations will leave too many loose ends for the Pollock industry to maneuver around in. NEC proposes the following:

- 1. Annual hard cap of no more than 30,000 chinook be implemented to protect and conserve chinook salmon.
- 2. Seasonal distribution method as described in the EIS
  - a. 58% to the A season
  - b. 42% to the B season
- 3. Sector allocation as described in the EIS
  - a. 10% to the CDQ Sector,
  - b. 45% to the Inshore Catcher Vessel Sector,
  - c. 9% to the Mothership Sector
  - d. 36% to the Offshore Sector

NEC is frustrated with NMFS methodology in selecting its preliminary preferred alternative of somewhere between 47,591 and 68,392. As the EIS describes it is clear that the range of caps represent averages that if continued into the future would only ensure that the status quo level of salmon bycatch would continue, and not be reduced as the Magnuson-Stevens Act mandates. As such it is best argued that a cap of 30,000 which is in the range of the lowest number among averages is the only bycatch cap that would represent any reduction in bycatch. It is our understanding that NMFS observers in the course of the Pollock season may be underreporting bycatch, and that NMFS is aware of the under-reporting bias but has not adequately accounted for it in the EIS. NEC requests that we be given full disclosure of observer reports in a simple to use and easily understandable format that portrays this underreporting so that we may compile comments before the NPFMC takes it final action in April 2009.

Robert D. Mecum, Administrator, Alaska Region National Marine Fisheries Service January 21, 2009 Page 3

NEC believes that other fisheries will contribute to additional salmon bycatch. Therefore the lowest cap is appropriate, and must also be considered in the context of other Bering Sea fisheries. Under any scenario Nome subsistence fishermen will be dealt a heavy blow to their lifestyle and all of western Alaska will carry the entire burden of NMFS management.

### Chapter 3, Impact Analysis

Should the NPFMC enact measures to reduce salmon bycatch the NPFMC must enact additional and more effective observer deployments to monitor the bycatch of salmon. NMFS should be directed to increase species composition information and obtain stock of origin information so that NMFS and the NPFMC will be able to better understand how Norton Sound salmon stocks interplay in the bycatch. With a new management scenario it is possible that the Pollock industry will have additional incentives to underreport bycatch therefore, NMFS must enact measures to ensure proper reporting when a new regulation is adopted.

### Chapter 5, Chinook Salmon

Chapter 5, Chinook Salmon needs some reconciliation. NMFS and the NPFMC must make decisions that reflect the broad range of knowledge we now have concerning salmon in Norton Sound and Nome. 4 fish counting projects exist with the Nome area that count Chinook Salmon. NMFS makes the following statement on page 205, last paragraph, last sentence:

"Currently the only escapement project operating specifically for Chinook enumeration is the North River counting tower, located on a tributary of the Unalakleet River (J. Menard, pers. comm.)."

While it is true that Norton Sound fish counting projects are not specifically chinook projects each project counts ALL fish and are thus effective in enumerating chinook salmon. NMFS lists a limited number of references regarding Norton Sound Chinook and must make meaningful efforts to portray a broader array of information that exists so that the NPFMC will make an appropriate decision. NMFS does not characterize any Norton Sound salmon savings component, and the NMFS narrative regarding Norton Sound chinook require immediate attention to include a broader range of scientific knowledge.

## Chapter 9, Environmental Justice

Chapter 9, Environmental Justice is terribly inadequate and only describes potential Pollock industry employment impacts. The potential impact to marine mammal resources is of key concern to our tribal members. The EIS does not adequately describe the effects of the potential loss of marine mammal hunting opportunities, cultural effects, or social effects. NMFS has portrayed a very jaded management perspective and it is clear that NMFS is mainly concerned with ensuring that Pollock fishing continues even if salmon are not effectively conserved. One

Robert D. Mecum, Administrator, Alaska Region National Marine Fisheries Service January 21, 2009 Page 4

section within Chapter 9 needs immediate attention. In Chapter 9, page 450, 1<sup>st</sup> paragraph, last sentence NMFS makes the following statement:

"Significant numbers of transactions also appear to take place in barter or informal trades and exchanges in informal markets which constitute an "underground economy.""

Describing our time immemorial fishing and hunting tradition as an "underground economy" is terribly hurtful and untrue. Customary trade laws and regulations exist in both the State and Federal regulatory system that legitimize customary trade transactions. Barter transactions are always legal and do **NOT** require implementing regulations.

#### **CONCLUSION**

NEC believes that immediate action is required to implement salmon savings despite the numerous problems within the EIS. NMFS will likely hear many criticisms of its management options, and data that was used to support the alternatives. Chinook salmon savings must be implemented in some manner as soon as possible to stem the tide of salmon declines. Chinook salmon have declined in many western Alaskan streams and it is apparent that chronic commercial bycatch is one of the major human influences in the recovery of salmon. NEC will continue to follow the issue of the salmon EIS and will provide comments on the Chum salmon EIS when it is developed.

If you have any questions please feel free to contact Austin Ahmasuk, Tribal Resources Director at the above address or directly at (907) 443-9130 or e-mail <a href="mailto:aahmasuk@gci.net">aahmasuk@gci.net</a>. Thank you for your time and consideration.

Sincerely,

**NOME ESKIMO COMMUNITY** 

Karlin Itchøak, President

Austin Ahmasuk, Tribal Resource Specialist

CC: Eric Olson, Chairman, North Pacific Fisheries Management Council Loretta Bullard, President, Kawerak, Inc.
Bering Strait Region Tribes

NPFMC Staff
C-3 supplemental

Chinook Seasonal, Annual Chinook mortality (2003-2008, 2009 to February 2, 2009); Chinook (numbers of fish) and pollock (mt) catch for first three weeks of each season (2007-2009). Data are preliminary. (NMFS Catch Accounting)

| Year | Chinook       | Pollock (1st                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 3 week rate | A season  | Annual total |
|------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-----------|--------------|
|      | (1st 3 weeks) | 3 weeks)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | (#salmon/mt | total     | Chinook #    |
|      |               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | pollock)    | Chinook # |              |
| 2009 | 6,268         | 28,152                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 0.22        |           |              |
| 2008 | 8,458         | 143,037                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 0.06        | 15,475    | 20,273       |
| 2007 | 32,612        | 140,298                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 0.23        | 69,408    | 121,638      |
| 2006 | 14,937        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |             | 58,435    | 82,694       |
| 2005 | 9,638         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |             | 27,379    | 67,396       |
| 2004 | 7,740         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |             | 23,093    | 51,696       |
| 2003 | 11,539        | THE STATE OF |             | 32,609    | 45,794       |

## **Pollock Conservation Cooperative**

February 5, 2009

#### The Financial Incentive Plan:

# A Chinook Salmon Bycatch Reduction Program

#### Introduction

Many are already aware of the concept of the Financial Incentive Plan. It was developed during 2008 by two employees of Trident Seafoods working with a professor from the Department of Economics at the University of Washington. This plan was the basis for a presentation made before the Council in October of last year, and it was presented at a workshop during the December Council meeting.

In essence, the Financial Incentive Plan creates a pool of money by assessing a fee of one penny per pound for every pound of pollock that is harvested. Each vessel contributes in proportion to its pollock catch. At a pollock TAC of a million tons, for example, the catcher/processor sector would collect almost \$8,000,000 under this formula prior to taking CDQ harvest into consideration.

The program awards payments from this incentive fund to the catcher/processor fleet according to each vessel's relative salmon bycatch performance. The more a vessel can avoid Chinook salmon bycatch, the more money it will receive, and each Chinook taken as bycatch reduces the amount that a vessel will receive from the incentive fund.

It is important to note that the effectiveness of the Financial Incentive Plan is not based on the one cent per pound of pollock assessment, per se. The penny per pound is merely a mechanism to create a fund of money. The incentives created by the plan are based on the fact that vessels in the catcher/processor fleet compete with each other for the proceeds from the incentive fund.

The Financial Incentive Plan we are presenting is described and analyzed in some detail in a paper than was submitted to the Scientific and Statistical Committee for this meeting.

Because many of you are familiar with the plan, I wanted to describe the modifications we are suggesting to that plan as it was originally presented.

#### **Modifications to the Financial Incentive Plan**

The analysis of the Financial Incentive Plan points out that there were areas that needed strengthening in the Plan. Under the Financial Incentive Plan as it was initially proposed the vessel with the worst bycatch received no payment back from the incentive fund, but that vessel could incur increased salmon bycatch without further consequence. If a vessel knew it had the worst bycatch rate in the fleet and would receive no payments from the incentive fund, that vessel would not have an incentive to avoid taking additional Chinook bycatch. There were no additional penalties placed on the worst performing vessel.

To address this concern our proposal modifies the plan as follows.

The first modification is that the bycatch rate of the worst performing vessel is calculated with respect to the lower of its bycatch ratio or twice the average bycatch ratio of all of the other vessels. Second, if the bycatch ratio of the worse performing vessel is lower than the next worst performing vessels by more than 15-percent, then the worst performing vessel must pay for every additional salmon it catches in excess of the 15-percent benchmark amount. This provides an incentive to improve performance because of the magnitude of its incentive is no longer limited by its contribution to the fund.

The intent of this modification is to maintain the economic incentive to avoid Chinook bycatch on a vessel that knows it has the worst bycatch rate.

# Salmon Hot-Spot Closure Program

The salmon bycatch reduction incentives provided by this plan are augmented with a salmon hot-spot closure program that would operate in both the pollock A- and B-seasons. The program would close areas to individual vessels based on their cumulative bycatch performance during each season. Closure areas will be identified within the "core areas" which are identical to areas described in the UCB presentation. The closed areas would be identified using a benchmark bycatch ratio of 5 salmon per 100 tons of pollock catch (.05 base rate). The program would include the fixed A-season closure area that is contained in the 2009 industry program.

If this plan works as we intend and the fleet is doing everything practical to avoid bycatch such that each salmon taken is extremely expensive under the Financial Incentive Plan, then a very large fraction of the incentive fund could be awarded for merely random sampling error. If that does happen, we would expect to come back to the Council and propose some method that would allow the program to be modified so funds are not received or paid because of sampling errors.

## Incentives to Avoid Bycatch for All Conditions of Pollock and Salmon Abundance

The plan provides a financial incentive to avoid salmon under all conditions of salmon and pollock abundance. The incentives to avoid salmon bycatch provided by the Financial Incentive Plan increase as the total amount of bycatch decreases. Therefore when Chinook encounters are low and the need to conserve salmon arguably the greatest, the incentives generated under the Financial Incentive Plan are larger.

We recognize that it is extremely important that our industry — all of the industry — do everything practical to avoid Chinook bycatch. We also understand that the level of the hard cap is a complex issue. There are many who would like a lower cap than the suggested cap of 68,392. For those supporting a lower hard cap, I encourage you to carefully read the analysis of this plan referenced below. The Financial Incentive Plan was designed and is believed to be more effective than a mere hard cap of 47,590 in creating incentives for the fleet to avoid Chinook bycatch.

We look forward to hearing your comments on this plan.

## **Further Reading**

"Analysis of an Incentive-Based Chinook Salmon Bycatch Avoidance Proposal for the Eastern Bering Sea Pollock Fishery," by Levis A. Kochin, Christopher C. Riley, Ana Kujundzic, and Joseph T. Plesha.