

May 31, 2024

Ms. Angel Drobnica, Chair North Pacific Fishery Management Council 1007 West Third, Suite 400 Anchorage, AK 99501

RE: Comment on Agenda Item D2 BSAI Crab Program Review

Dear Chair Drobnica and Council Members:

The Alaska Bering Sea Crabbers (ABSC) is a trade association representing the majority of independent crab harvesters who commercially fish for king, snow (opilio), and Tanner (bairdi) crab with pot gear in the Bering Sea and Aleutian Islands (BSAI) Crab Rationalization Program. We appreciate the staff's work on this document and the opportunity to comment on agenda item D2 BSAI Crab Program Review – Review Report.

ABSC values the benefits the BSAI Crab Rationalization Program has afforded harvesters, processors, and communities since 2005, for almost 20 years now. The Program has ended the race to fish-- increasing safety and flexibility in the crab fishery. In addition, ABSC appreciates the recently added flexibility this upcoming season to help address these difficult times with low quota and closed crab fisheries. NOAA Fisheries approved Fishery Management Plan (FMP) Amendments 54 and 55 this month with implementing regulations to soon follow that will relax the facility use caps for processors and relax restrictions on c-share quota for harvesters. ABSC applauds the Agency's effort to implement this rulemaking in a timely manner to reduce economic hardship in the industry.

These continue to be challenging times for Alaska's crab fisheries, and we encourage the Council to look for solutions that add flexibility in times of low abundance and growing uncertainty. Were it not for the Crab Rationalization Program, the crab crisis would have undoubtedly hit our industry harder. Further, ABSC points the Council to ABSC's Resilient Fishery Action Plan developed in 2023 which we have presented to the Council's Climate Change Task Force and Crab Plan Team. The Action Plan highlights what industry, scientists, and managers can be doing in the short, medium, and long-term to increase resilience. Key findings are the need to build flexibility in the system and to allow for diversification of businesses. Findings that the final program review document further substantiates.

ABSC appreciates the final review document that reports progress towards the Program's goals and objectives, as required at regular intervals by the Magnuson-Stevens Act. Akin to a wellness check-up with your doctor, it provides input on how the Program is doing and what could use further focus and effort. Given the challenges the Bering Sea crab fisheries are facing, in part due to the effects of climate change further straining marine resources, we urge the Council to look for ways to increase flexibility and allow for some diversification for Alaska's fisheries. ABSC's Resilient Fishery Action Plan provides a roadmap to do so and this Program Review helps provide data.

What is not fully captured in the document is the breadth of the crisis crab harvesters, processors, and communities are facing, and not only with crab but with other fisheries as well. ABSC requested last fall

that the analysis look at the differential impacts to independent harvesters versus processor-owned and CDQ-owned vessels and quota. However, we do not see that included in the analysis.

One of the main goals of the program is to create economic stability. Since 2021, the Bering Sea crab fisheries have been far from that goal. Among harvesters, the crab collapse is putting the largest strain on operations that are not diversified into other fisheries or operations. It is disproportionately hurting independent harvesters, raising equity concerns. It has had a chilling effect on new entrants and the ability to retain good crew. (Excerpt from ABSC comment letter, Council Agenda Item D2 (Crab Program Review Workplan), Oct2023)

Following the Council's consideration of the BSAI Crab Rationalization Program Review document, ABSC proposes some potential harvester-focused actions to consider in a future analysis for added flexibility to the Crab Rationalization Program and to help business operations diversify.

• Increase flexibility for buying crew quota (c-shares or CVC/CPC) and increase c-share use caps to encourage new entrants and active fishermen to invest in the fishery.

In addition to NOAA Fisheries' recent action to increase flexibility for maintaining (holding) c-shares through FMP Amendment 54 and the related rulemaking, ABSC proposes that the same flexibility should be afforded to fishermen interested in buying c-shares to help encourage new entrants and active fishermen to invest in the fishery. This would "level the playing field" for active participation requirements for those maintaining c-shares and those wanting to buy c-shares. In other words, mirror the eligibility requirements for receiving c-shares through transfer to the new requirements for holding or maintaining c-shares. This would continue to keep c-shares, also called crew shares or CVC/CPC, in the hands of active, boots on deck fishermen while building in some flexibility to further encourage fishermen to buy into this fishery.

As stated in ABSC's letter to NOAA Fisheries on the FMP Amendments and proposed rule (dated 4/8/2024), "We would like to see the requirements at § 680.41(c)(1) on the eligibility to receive CVC or CPC transfers to increase flexibility for those receiving or buying c-shares to more closely align, if not mirror, the requirements in this action. C-shares are an on-ramp for new entrants in the CR Program, which catch share programs work to encourage. We need incentives for new entrants and to keep active crab fishermen engaged and wanting to invest in Bering Sea crab fisheries. We need to protect our c-share holders as our "boots on deck" fishermen. Adding flexibility for new entrants like the provisions in this action for c-shares holders to maintain their quota would help encourage new entrants."

Currently, to be eligible to receive c-shares through transfer (either as a new entrant or a current c-shares holder buying more), fishermen must meet the following more stringent criteria (50 CFR 680.41(c)(1)(vii) and (viii)):

An individual who is a U.S. citizen with:

- (1) At least 150 days of sea time as part of a harvesting crew in any U.S. commercial fishery, and
- (2) Recent participation as crew in at least one delivery of crab in a CR crab fishery in the 365 days prior to submission of the application for eligibility,

In recent years, given closed crab fisheries or low quota, it is difficult for a fisherman to get out on a crab trip within 365 days, limiting the pool of eligible buyers.

To change the eligibility requirements for buying c-shares to match those for maintaining c-shares, the requirements could consider:

Within the last 3 years, participating in at least one BSAI crab trip or by fishing in either a federal or state commercial fishery off Alaska for 30 days, including participation on a tender vessel operating in support of a commercial fishery.

In addition to helping active fishermen and new entrants, this might also reduce the administrative burden on NOAA Fisheries for tracking active participation requirements if all standards for active participation were the same whether maintaining or buying c-shares.

To further help active fishermen and new entrants in the Program, the Council could consider increasing the quota share (QS) use caps for c-shares (CVC/CPC), which are currently at 2% for snow, red king, and bairdi crab (see Table 2-3 (p. 33) of the Program Review document). C-share holders have a smaller overall portion of the crab harvest at only 3% of the overall IFQ allocation (see Figure 2-1, p.31). In other words, the maximum a c-share holder could have is 2% of 3% of the IFQ allocation for the fishery. Similar to the rationale for "leveling the playing field" for buying and maintaining c-shares, this proposed change would increase flexibility in the Program and incentivize new entrants, active fishermen, and investment in c-share quota.

• Create opportunity to diversify by relaxing select sideboards in times of low quota or closed fisheries to keep family businesses and independent harvesters viable.

In times of low quotas or closed BSAI crab fisheries, the Council could consider relaxing sideboards between Bering Sea and Gulf of Alaska to increase flexibility and create opportunity for operations to diversify their business portfolio. For example, a vessel sideboarded from the Gulf of Alaska could be allowed to choose within a given year to fish there if Bering Sea crab is closed or low. The reason for sideboards was so vessels couldn't go fish cod in another region while leasing out Bering Sea crab quota. Relaxing sideboards in times of low harvest or closed fisheries is in line with creating flexibility in the system to build fishery resilience (see ABSC's Resilient Fishery Action Plan), particularly as a tool to help protect independent harvesters.

Thank you for considering our comments.

Sincerely,

Jamie Goen
Executive Director

Alaska Bering Sea Crabbers