



Central Bering Sea Fishermen's Association

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September 29, 2021

Simon Kinneen, Chairman
North Pacific Fishery Management Council
Anchorage, Alaska

Submitted electronically

Regarding: C4 - BSAI Pacific Cod Trawl Catcher Vessel LAPP

Dear Mr. Kinneen and members of the Council:

Central Bering Sea Fishermen's Association (CBSFA) is the management organization for St. Paul Island under the Western Alaska Community Development Quota Program (CDQ). Through the CDQ Program, which was created in 1992, the Federal government awarded various species of fish, including Pacific cod, from the Bering Sea and Aleutian Islands (BSAI) commercial fisheries to six CDQ groups including CBSFA. Pursuant to the CDQ Program Statute (16 U.S.C 1855(i)(1)), the CDQ groups manage these allocations to promote social and economic development in their respective regions.

Background

CBSFA is committed to developing a fishery-related economy that enhances the well-being of the community of St. Paul. In addition to its pot cod fishery investments, CBSFA owns three trawl vessels, with partners, that participate in the CV trawl cod sector.

The Saint Paul and Saint Peter (100% owned by CBSFA) are both under 60' pot cod vessels, and participate in the State-water, Federal and CDQ fisheries. The Saint Paul has been in operation since 2008 and the Saint Peter since 2012. The boats have historically fished cod from January through early April. Both boats fish the B season pot cod fishery starting in September and are dependent on rollover quota from other sectors. There is no B season allocation for these vessels without rollovers from the trawl sector.

Although CBSFA does use a portion of its CDQ cod to fund PSC needs in the pollock and flatfish fisheries, it lands most of its cod through direct targeting with its under 60' pot boats. All landings are made shoreside. Some fish is landed, processed, and marketed by Village Cove Seafoods (a wholly-owned subsidiary of CBSFA). The boats also sell directly to the large shore-based processors in some seasons.

Participating in trawl fisheries, the vessels Starward (75% CBSFA-owned), Starlite (75% CBSFA-owned), and Fierce Allegiance (30% CBSFA-owned) have CV trawl cod sideboard allocations and are members of the Unisea Co-op and United Catcher Boats.

CBSFA is also actively engaged in the directed halibut fishery in IPHC Area 4CDE (Bering Sea); in addition to fishing CDQ halibut, a number of the local residents also hold halibut IFQ. From a historic, cultural, subsistence, and commercial perspective, halibut is a critically important species to the mostly Unangan (Aleut) residents of St. Paul. CBSFA has a direct interest in ensuring that Pacific halibut stocks are equitably utilized among user groups. This includes a community and corporate commitment to reducing the use of halibut as bycatch in trawl fisheries.

In addition, CBSFA is heavily invested in the Bering Sea commercial crab fisheries. It owns harvester and processor quota in various species, as well as crab harvester vessels, and prioritizes delivery of crab to the Trident processing plant on St. Paul Island to maximize the benefits to the community of these resources in terms of employment, taxes, and services. The activities associated with the crab fisheries, especially the snow crab fishery, are the basis of St. Paul's economy.

CBSFA manages cod, crab, pollock and groundfish that are important to CBSFA's business operations and its ability to fund projects and programs that benefit St. Paul in furtherance of CDQ Program objectives. Given its stake in both the halibut and crab stocks, and the cod and groundfish fisheries that use halibut and crab PSC, CBSFA is uniquely positioned to understand the balancing that is needed under the Magnuson-Stevens Act's (MSA) National Standards to provide for healthy, diversified, fisheries-based economies in BSAI communities.

Policy positions

1. Gear Conversion (Element 14)

Gear conversion should more aptly be named “gear flexibility,” as it refers to and would provide for the voluntary ability to use pot gear to harvest trawl quota on an annual basis. This forward-looking element helps meet several of the objectives in the problem statement for this action:

“ . . . promoting safety and stability in the harvesting and processing sectors, increasing the value of the fishery, minimizing bycatch to the extent practicable, providing for the sustained participation of fishery dependent communities, and ensuring the sustainability and viability of the resource.”

Gear flexibility allows the NPFMC to include in this rationalization program an element that is most responsive to the requirements of the Magnuson-Stevens’ Act National Standard 1 (Optimum Yield) and National Standard 2 (Best Science Available), while reducing bycatch to the extent practicable under National Standard 9.

In a rationalized fishery, maximum flexibility is important to help achieve the goals of the program. Pot gear is known to have lower halibut bycatch and discard mortality rates than trawl gear. In addition, pot gear can produce fish quality that is superior and increases the value of cod products in this sector. Increasing and maximizing the value of the fishery is a desired outcome of this and other rationalization programs.

Under any circumstance, particularly low abundance scenarios, it is important to improve efficiencies to keep historical participants viable and in operation. By allowing gear conversion, trawl vessels such as CBSFA’s would not need to switch from pollock fishing to make a single cod delivery, and then back to pollock again. As CBSFA’s pot vessels are operating at the same time as the CV trawl cod fishery, it makes sense that CBSFA could target its QS/CQ with pots – again, adding value and reducing bycatch mortality.

Given the recent collapse of the Bering Sea crab fisheries, taking every step to reduce crab bycatch and protect and restore the crab resources is essential for crab-dependent harvesters, processors and communities. Much has been said about the higher rate of crab bycatch in pots than in trawl gear. The Alaska Bering Sea Crabbers (ABSC), the trade association for crab harvesters, supports gear conversion for added flexibility in the program, as a tool for bycatch management, and for reduced habitat impacts. The recent research they have spearheaded on pot gear modification has shown great promise in reducing crab bycatch. ABSC supports gear conversion with 100% observer coverage, because with full control of bycatch avoidance measures by the coop, and PSC limits in place, the risk of high crab bycatch is nearly eliminated.

In the case of St. Paul, crab is essential to the survival of the community, and the fulfillment of federal obligations to the inhabitants as members of a federally-recognized tribal government. Heavily invested in crab, experienced in pot cod fisheries, and putting the community well-being first, CBSFA believes that the use of pots in the cooperative program does not represent a risk of increased crab bycatch.

The voluntary use of pot gear provides flexibility in harvesting efforts, and is potentially climate-friendlier, as recent scientific studies show that trawl gear can disturb carbon deposits on the sea floor, releasing methane and other gases into the atmosphere. The adoption of tools that reduce activities contributing to climate change has been identified as a priority by the federal administration¹, as well as the U.S. Congress through provisions in its recently introduced draft Magnuson-Stevens reauthorization legislation. Both at the executive and legislative levels, the development of adaptive tools in fisheries management to respond to the impacts of climate change are being encouraged and in some instances mandated.

In addition to the reduced habitat impacts and a smaller footprint on the ocean floor, pot gear could give added flexibility for quota holders to fish in areas with habitat protections where trawl gear is prohibited.

In response to perceived problems with gear conversion, the language makes clear that any quota harvested in pots would be subject to 100% observer coverage, as is the trawl-caught quota. Additionally, it is critical to understand that the use of pots would be the annual decision of the quota holder and would not constitute a movement toward re-designating trawl quota.

The analysis refers to implementation concerns regarding gear flexibility. While it clearly adds an element, the overall complexity of the program would not be greatly increased. Gear flexibility's responsiveness to both the purpose and need statement and the evolving principles of federal fisheries management in this changing ecosystem would seem to outweigh any concern about additional work for the National Marine Fisheries Service.

The trawl sector has suggested that the gear flexibility element be tested through an EFP, citing uncertainty about how many quota holders may decide to take advantage of this element. We do not believe that an EFP would answer that question. This uncertainty, and other questions regarding potential gear conflict, would best be answered in practice, and through a targeted review of this element at three years after implementation.

¹ On January 27, 2021, President Biden signed Executive Order (EO) 14008, *Tackling the Climate Crisis at Home and Abroad*, which launched an all-of-government effort to confront climate change, repower America's economy with clean energy, and create millions of jobs. This EO directed the creation of National Climate Change Task Force which included the Department of Commerce. This Task Force in turn produced a report in May 2021 known as *Conserving and Restoring America the Beautiful* which developed principles for consideration by agencies in federal decision and policy-making that include building on existing tools and strategies with an emphasis of flexibility and adaptive approaches to combat climate change, reduce greenhouse emissions, and conserve the nation's resources.

2) Prohibited Species Catch (PSC) management (Element 3)

When the scope of the Halibut ABM program was reduced to apply to one sector (Amendment 80 CP trawl) the Council indicated they removed the cod trawl CV sector because they planned to deal with that sector upon rationalization. Over the last five years, on average, the TLAS sector has accounted for 21% of the total halibut bycatch mortality occurring in the BSAI, but this includes all targets and not just cod.

Table 2-18 on page 87 of the analysis breaks out the TLAS sector bycatch mortality when cod is targeted. The data shows that, on average over the last five years, when cod is targeted, the halibut bycatch associated with that harvest accounts for 56% of the TLAS sector total halibut mortality and 12% of the total BSAI halibut bycatch.

Now is the time for the Council to make good on their commitment in a meaningful manner.

With a one-time bycatch reduction as the only option under consideration, the potential of a new cooperative program to reduce bycatch is limited from the onset. We support the option of 35% reduction in bycatch, accompanied by inclusion of stairstep reduction provisions similar to what was applied in the GOA when the halibut reductions were staggered over a period of three years. This approach would provide the fleet the ability to adjust to the new program.

We thank the analysts for including bycatch numbers for 2020 and 2021. In those years, the CV fleet operated in a voluntary stand-down mode when PSC rates began increasing, which resulted in a significant reduction of 60% and 64%, respectively, in halibut PSC usage. In 2020 the fleet used 36% of the PSC cap, and in 2021 they used just 13% of the cap. In contrast, the average use from 2009 to 2019 was nearly 70% of the cap.

This information provides an example of greatly reduced halibut PSC usage in an atmosphere of fleet cooperation such as that potentially achieved in a cooperative program. One of the major Council goals in rationalizing fisheries – one that has been used as an important rationale for the Bering Sea pollock program and the Gulf rockfish program – has been the opportunity for increased stewardship of the ocean and its resources, and for decreasing bycatch and waste of other species important to Alaska and its coastal communities.

Also, Council decision-making is informed by halibut PSC rates per MT of Pacific cod and/or groundfish in fully rationalized fisheries, and consideration of those rates to define minimization of PSC to the extent practicable. Page 205 of the analysis discusses the success of

the rockfish program in reducing halibut PSC use from 1.5-3 kg of halibut per mt of groundfish to .25 kg. There may be other examples to demonstrate potential savings.

We support the option of the highest reduction in halibut bycatch of 35% in part because we believe the cooperative program is designed to provide the ability to avoid PSC. Operators will be able to choose when, where and how to harvest their allocation. Also, Element 7 allows full transferability of halibut PSC within and between coops, which will provide increased flexibility for the CV fleet.

While the analysis concludes that a 35% reduction would be insufficient to allow for full sector harvest in some years, it appears to overestimate PSC usage based on PSC rates from when the sector was racing for fish. 2020 and 2021 serve as examples of what is achievable under cooperative fishing practices and are more representative of PSC rates likely to occur going forward. It would be more appropriate to analyze PSC usage based on the rates from those years.

The analysis states² *“[that] for every metric ton of targeted BSAI Pacific cod harvested by the trawl CV sector during 2004 through 2020, on average the sector’s halibut PSC was 0.010 mt. Utilizing this average halibut PSC rate, a 265 mt of halibut PSC limit for the trawl CV sector under this alternative would have on average been sufficient to harvest 26,010 mt of targeted BSAI Pacific cod.”*

The average PSC rate between 2020 and 2021 was 3.85 kg per metric ton³ or 0.00385 mt, roughly 2.6 times lower than the rate used in the analysis. If we substitute 0.00385 mt in place of the 0.010 mt rate used in the analysis, the trawl CV sector would have the ability to harvest 64,415 mt of cod with a PSC limit of 248 mt⁴. Which is about 13,000 mt or 25% higher than the largest initial allocation (51,509 mt) the trawl CV sector has ever had over the last 18 years.

We have long supported adding an option in this element to address halibut PSC through a simple Abundance-Based Management (ABM) approach such as that recently developed for the A80 sector. It is difficult to understand why the Council would not include consideration of ABM in this action, which would set an appropriate level of PSC by factoring in the abundance of the halibut stock. The inclusion of an ABM option would provide for consistent management of halibut PSC across different groundfish sectors at a time when increasing fluctuations in various target fisheries and their associated PSC, driven in part by climate-change, affect fishing effort

² NPFMC. (2021). PCTC Program Draft for Final Action, October 2021. P. 371

³ Table 2-104, p. 197

⁴ 248mt is a 35% reduction in the PSC limit under Option 2.2.2 (PPA qualifying years)

and intensity across the Bering Sea. This was the reason why TLAS sector halibut PSC was initially considered in the ABM in the first place.

When this cod rationalization program was first proposed, the Halibut ABM program was complex and non-transparent. With its recent simplification, the abundance-based approach to bycatch management is the most reasonable one.

The inclusion of the above recommendations and considerations surrounding Element 3 would increase this action's responsiveness to National Standard 8, sustained community participation, in this case of halibut-dependent communities, and National Standard 9, reducing bycatch to the extent practicable.

3) C Season Reallocations (Element 4)

CBSFA supports leaving the C season unallocated, as that fish has historically been harvested by other sectors that depend heavily on rollovers, including CBSFA vessels.

We also support the Council soon reassessing and updating the reallocation hierarchy. History shows that reallocations to cover PSC overages in the Amendment 80 and American Fisheries Act (AFA) catcher-processor (CP) fleets have been prioritized over reallocations to directed fall fisheries (65 million pounds since 2008). The Council may want to consider shifting emphasis to protect directed cod fisheries.

Since the overall PCTC action is of limited benefit to Alaskan communities, the above steps would help to provide additional opportunities to the under 60' cod pot and H&L vessel fleet, and the 18 Alaskan communities associated with these vessels, as is described by the analysis on pages 146-152.

This request is consistent with the MSA requirement to develop fisheries-management policies that provide for equitable allocations among fishery users under National Standard 4, and help provide for sustained community participation under National Standard 8.

4) Processor & Community Provisions (Element 5)

We support a level of allocation of harvester QS to eligible processors that recognizes the investments made by the processing sector in the cod fishery infrastructure, and also protects the sustained participation of communities (National Standard 8) that host on-shore processors and related processing activities.

5) Aleutian Islands (Element 6)

CBSFA supports element 6 and provisions for Aleutian Islands harvest and processing that result in meaningful harvesting activity and processing capacity in the Aleutian Islands. It is important to the region and the State to provide fishery resources to dependent fishing communities identified under National Standard 8 and to support the ongoing essential harvest of state and federal Aleutian fisheries. In addition, provisions for the Aleutians promote the safety and stability of adjacent fisheries, including smaller boats. The action also increases the spatial distribution of Pacific cod and associated halibut bycatch; the Aleutian Islands has significantly lower bycatch rates than the Bering Sea.

6) Ownership & Use Caps (Element 8)

We support reasonable ownership and use caps, as an important element to control over-consolidation and its potential impacts on communities. Properly addressing this element is responsive to the requirements of National Standard 4 (Equity in Allocations), and National Standard 8 (Sustained Community Participation).

7) Share Duration (Element 10)

We support the inclusion of a review and reauthorization of the program after 10 years.

8) Monitoring (Element 11)

We support 100% coverage of all vessels harvesting Pcod under this program, as well as weekly vessel level bycatch reporting.

9) Reporting (Element 12)

As earlier stated, we support inclusion of a three-year review of Council-identified elements of the program, including Element 14. We also think it would be informative for the Council to receive a report soon after the proposed 90-day period during which an unknown number of transfers may take place. This aspect of the program could result in consolidation and associated impacts that cannot be adequately analyzed before they occur.

In addition, we assume it continues to be a Council oversight not to include an Economic Data Report program with the rationalization of the cod trawl catcher vessel fishery. The Council needs economic information for its review of the program's outcomes regarding fishery value,

product development and economic/social effects on communities and sectors. This was recommended by the SSC.

CBSFA is deeply invested in BSAI fisheries for multiple species and with multiple gear types. We encourage the North Pacific Council in their work to equitably support all fisheries and dependent communities through balanced consideration of the MSA National Standards. We support the objectives of the cod trawl catcher vessel sector, and have made suggestions we hope will ensure that the attainment of those objectives also protects and preserves other resources, sectors and communities.

Best regards,

A handwritten signature in black ink, appearing to read 'P. Lestenkof', with a stylized, looping flourish at the end.

Phillip Lestenkof, President

Central Bering Sea Fishermen's Association