

Sablefish and Halibut IFQ Program Review

Presentation to the IFQ Committee

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December 2, 2024



Presentation Road-Map

- This presentation will generally follow the outline of the document distributed by the NPFMC on November 15, 2024.
- This is the second **Limited Access Privilege Program (LAPP) Review** of the Pacific Halibut and Sablefish IFQ Program
- The previous **LAPP Review** summarized impacts from implementation in 1995 through 2015 and also included data from an aggregated baseline period (1992–1994).

**Twenty-Year Review
of the
Pacific Halibut and Sablefish
Individual Fishing Quota Management
Program**

**North Pacific Fishery Management Council
National Marine Fisheries Service**

Final Draft: December 2016

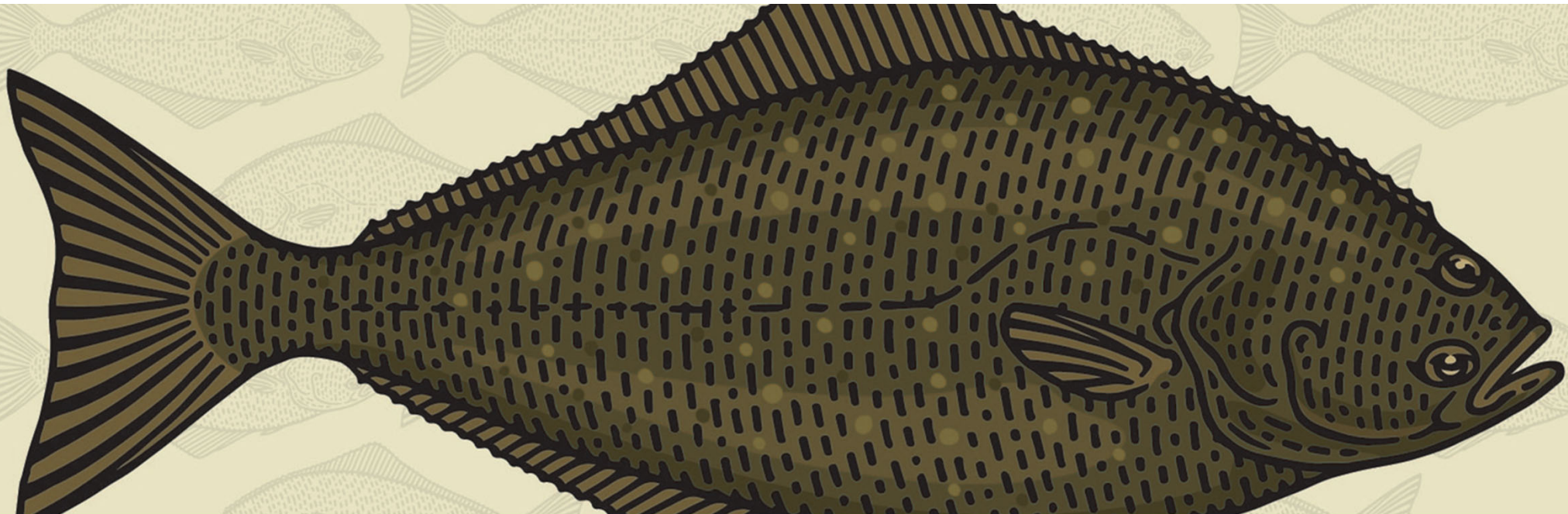
(The Previous LAPP Review is
available by request from the NPMFC)

Presentation Road-Map

- The previous **LAPP Review** summarized impacts from implementation in 1995 through 2015 and also included data from an aggregated baseline period (1992–1994).
- While this review has a focus on more recent years (2016–2023) many of the tables and figures show data back to 1991 or more often back to 2000

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Section 1: Background



Requirements for LAPP Programs

1. Purpose and need of the review (discuss legal/policy requirements);
2. Goals and objectives of the program and the MSA;
3. History of management, including management prior to the implementation, a description of the program at the time of implementation; and any changes made since the program's implementation or the previous review;
4. Description of biological, ecological/environmental, economic, social, and administrative environments before and since the program's implementation;
5. Analysis of the program's biological, environmental, economic, social, and administrative effects;
6. Evaluation of those effects with respect to meeting the goals and objectives including a summary of the conclusions arising from the evaluation;
7. A summary of any unexpected effects (positive or negative); and
8. Identification of issues associated with the program's structure or function and the potential need for additional data collection and/or research.

Table 1, Beginning on Page 3

Sections Where Required LAPP Review Elements and Program Performance Key Areas Are Addressed

Element/Key Area	Section
Elements of a LAPP Review	
Purpose and need	Section 1.1.1
Goals and objectives	Section 1.1.2
History of management	Section 1.2.3
Description of biological, ecological/environmental, economic, social, and administrative environments	The final EIS for the IFQ Program provides a description of biological, ecological/environmental, economic, social, and administrative environments before program implementation (NPFMC and NMFS 1992). A description of changes in these environments after program implementation, with a focus on changes <u>since</u> the previous review, are presented in Section 2.
Analysis of the program's biological, ecological/environmental, economic, social, and administrative effects	Section 2
Evaluation of <u>above</u> effects with respect to meeting the goals and objectives	Section 3.1
Unexpected effects	Section 3.4
Identified Issues and Areas for Future Research	Section 3.5

Table 1 (continued)

Element/Key Area	Section
Program Goals and Objectives	
<p>Address the problems that occurred with the open-access management regime to include 1) allocation conflicts, 2) gear conflicts, 3) dead loss from lost gear, 4) bycatch loss, 5) discard mortality, 6) excess harvesting capacity, 7) product wholesomeness, 8) safety, 9) economic stability in the fisheries and communities, and 10) rural coastal community development of a small boat fleet.</p>	<p>Allocation conflicts (Section 2.4.3.2) Gear conflicts (Section 2.4.3.1) Dead loss from lost gear (Section 2.11.1.1 and Section 2.11.2.1) Bycatch loss (Section 2.11.1.1 and Section 2.11.2.1) Discard mortality (Section 2.11.1.1 and Section 2.11.2.1) Excess harvesting capacity (Section 2.4.2) Product wholesomeness (Section 2.4.4) Safety (Section 2.10) Economic stability in the fisheries and communities (Section 2.9) Rural coastal community development of a small boat fleet (Section 2.4.5 and Section 2.9)</p>
<p>Link the initial quota share allocations to recent dependence on the halibut and sablefish fixed gear fisheries.</p>	<p>Section 2.3</p>
<p>Broadly distribute QS to prevent excessively large QS holdings.</p>	<p>Section 2.3 and Section 2.4.6</p>
<p>Maintain the diversity in the fleet with respect to vessel categories.</p>	<p>Section 2.4.5</p>
<p>Maintain the existing business relationships among vessel owners, crews, and processors.</p>	<p>Section 2.5 and Section 2.6</p>
<p>Assure that those directly involved in the fishery benefit from the IFQ Program by assuring that these two fisheries are dominated by owner/operator operations.</p>	<p>Section 2.7</p>
<p>Limit the concentration of QS ownership and IFQ usage that will occur over time.</p>	<p>Section 2.4.6 and Section 2.6.2</p>

Table 1 (continued)

Element/Key Area	Section
Other Program Performance Key Areas	
Limit the concentration of QS ownership and IFQ usage that will occur over time.	Section 2.4.6 and Section 2.6.2
Limit the adjustment cost to current participants including Alaska coastal communities.	Section 2.9
Increase the ability of rural coastal communities adjacent to the BSAI to share in the wealth generated by the IFQ Program.	The 2016 IFQ Program Review noted that this objective relates to the implementation of the CDQ Program, and because the CDQ Program is a separate management program, it is not examined as part of the IFQ Program.
Achieve previously stated Council goals and objectives and meet MSA requirements	Although not expressly addressed in the analysis and key findings, this objective is <u>woven in</u> throughout Section 2.
Allocations	Section 1.2.4.2, Section 2.4, and Section 3.2.1
Eligibility	Section 1.2.4.2
Transferability	Section 1.2.4.4 and Section 2.8
Catch and sustainability	Section 1.2.4.1, Section 2.2, and Section 2.11
Accumulation limits/caps	Section 1.2.4.3 and Section 2.4.6
Cost recovery	Section 2.12.4
Data collection/reporting, monitoring, and enforcement	Section 2.12.2 and Section 2.12.3
Duration	Section 3.2.2
New entrants	Section 2.8
Auctions and royalties	Section 3.2.3
Net Benefits to the Nation	Section 3.3

IFQ Program Goals and Objectives (pp. 4-5)

1. Address the problems that occurred with the open-access management regime. 10 specific problems were identified:
 - allocation conflicts
 - gear conflicts
 - deadloss from lost gear
 - bycatch loss
 - discard mortality
 - excess harvesting capacity
 - product wholesomeness
 - safety
 - economic stability in the fisheries and communities
 - rural coastal community development of a small boat fleet

IFQ Program Goals and Objectives (pp. 4-5)

2. Link the initial QS allocations to recent dependence on the halibut and sablefish fixed gear fisheries.
3. Broadly distribute QS to prevent excessively large QS from being given to some persons
4. Maintain the diversity in the fleet with respect to vessel categories.
5. Maintain the existing business relationships among vessel owners, crews, and processors.
6. Assure that those directly involved in the fishery benefit from the IFQ Program by assuring that these two fisheries are dominated by owner/operator operations

IFQ Program Goals and Objectives (pp. 4-5)

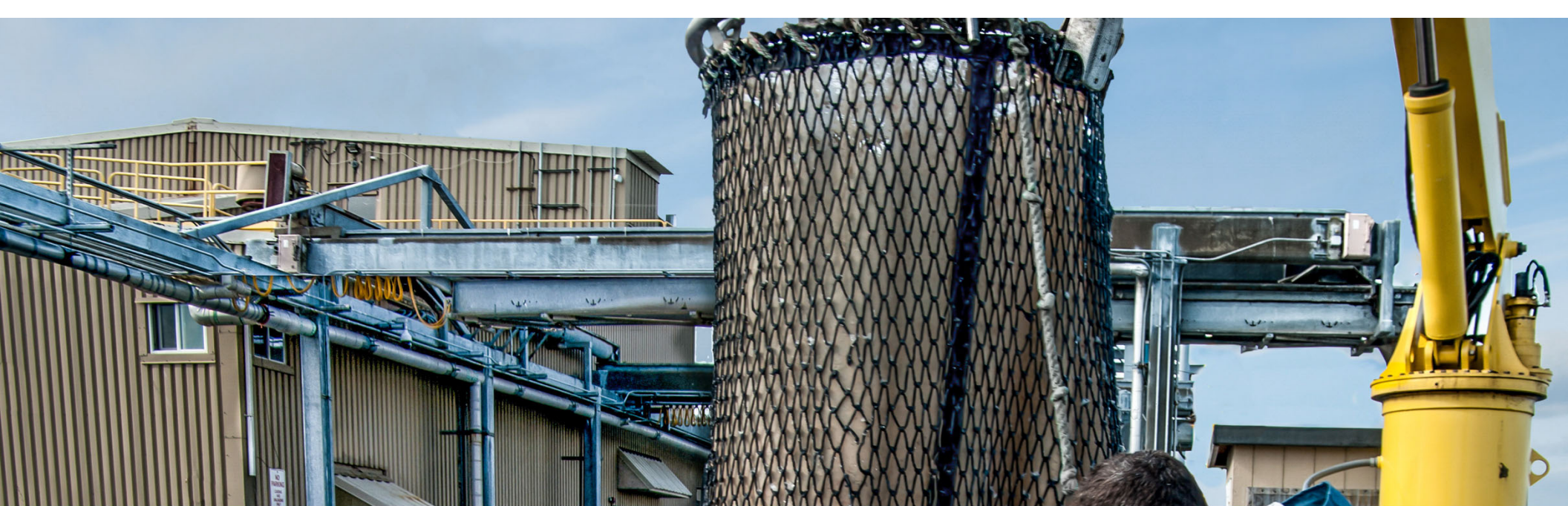
7. Limit the concentration of quota share ownership and IFQ usage that will occur over time.
8. Limit the adjustment costs to current participants including Alaskan coastal communities.
9. Increase the ability of rural coastal communities adjacent to the Bering Sea and Aleutian Islands to share in the wealth generated by the IFQ Program
10. Achieve previously stated Council goals and objectives and meet MSA requirements

FMP Amendments, Regulatory Amendments, and Emergency Orders Since Previous Review (pp. 5-9)

- 1.1.3.1 Authorize Use of Pots in the Sablefish IFQ Fishery (December 2016)
- 1.1.3.2 Authorize Formation of Recreational Quota Entities (September 2018)
- 1.1.3.3 Allow CDQ Groups to Lease; Remove Obsolete Regulatory Language; and Clarify Vessel Use Caps (October 2018)
- 1.1.3.4 Authorize the Retention of Halibut in Pot Gear in the BSAI (January 2020)
- 1.1.3.5 Modify the Medical and Beneficiary Transfer Provisions (March 2020)
- 1.1.3.6 Modify Temporary IFQ Transfer Provisions (June 2020 – December 2020)
- 1.1.3.7 Temporarily Waive Vessel Use Caps on Halibut IFQs in Areas 4B–4D (July 2020 – December 2020)

FMP Amendments, Regulatory Amendments, and Emergency Orders Since Previous Review (continued.)

- 1.1.3.8 Fish-Up Provisions for CQEs with Halibut IFQs in Area 3A; and to Adjust Regulatory Language in Temporary Transfer Forms (August 2020)
- 1.1.3.9 Temporarily Waive Vessel Use Caps on Halibut IFQs in Areas 4A–4D (May 2021 – December 2021)
- 1.1.3.10 Temporarily Modify Transfer Provisions for Sablefish and Halibut IFQs (March – September 2021)
- 1.1.3.11 Modify Regulations on Removal of GOA Sablefish Pot Gear Tags and Removal of Notary Requirements on QS Transfer Applications and Temporary Transfers of IFQ (December 2021)
- 1.1.3.12 Temporarily Waive Vessel Use Caps on Halibut IFQs in Areas 4A–4D (June 2022 – December 2022)
- 1.1.3.13 Remove Vessel Use Caps on Halibut IFQs in Area 4 While a Long-Term Modification is Considered (July 2023)



Section 2: Analytical Section



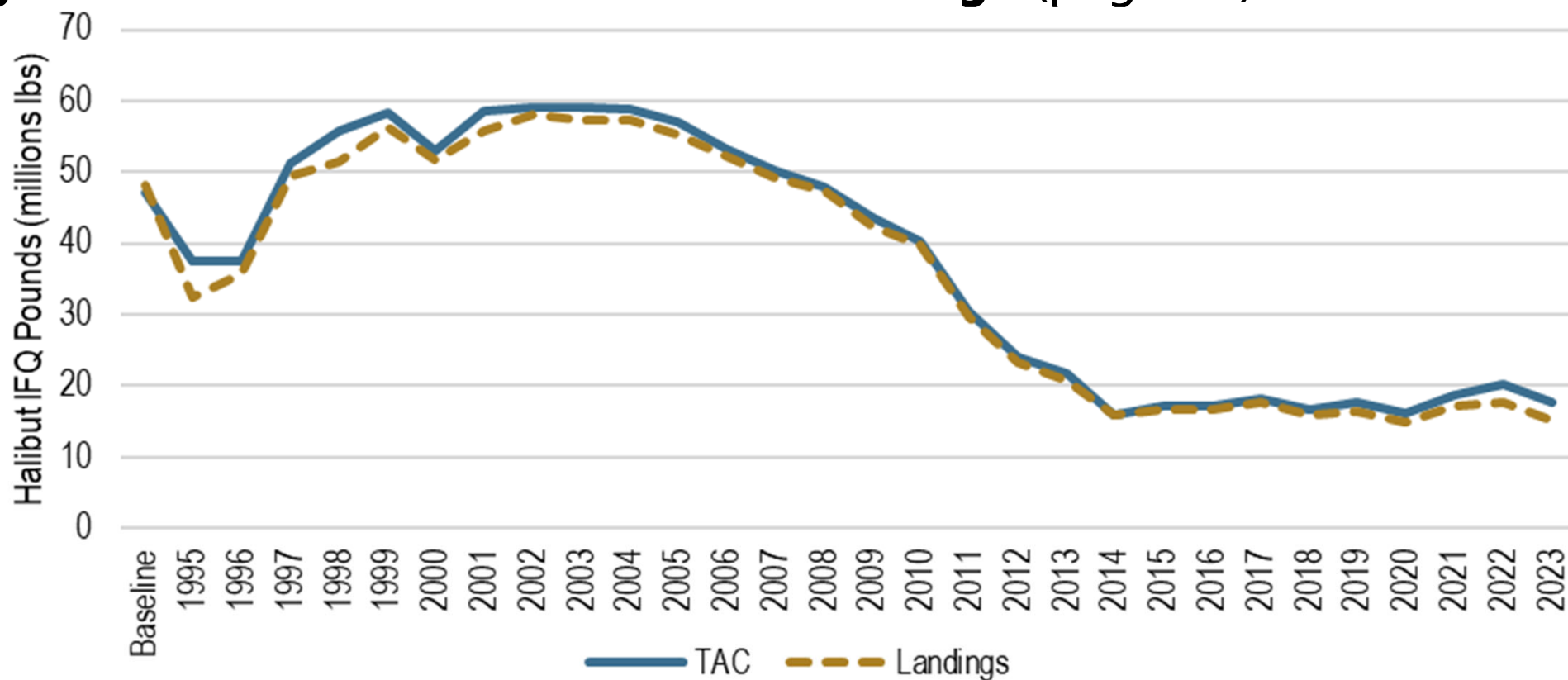
Subsection 2.1: Data

This review uses data from two primary sources:

- QS Allocation data were obtained from the NMFS Alaska Region web page summarizing Permits and Licenses Issued in Alaska
 - Available at <https://www.fisheries.noaa.gov/alaska/commercial-fishing/permits-and-licenses-issued-alaska>.
 - NMFS data report QS holdings by individuals and entities reflect “End of Year” QS holdings (i.e., as of 11:59 December 31).
 - In general, this review reports QS and IFQ allocations as of the beginning of each year (i.e., as of 12:00 AM January 1).
- Landings and Ex-vessel Revenue data were provided by the Alaska Fisheries Information Network (AKFIN) via requests from the analysts.

Subsection 2.2: Annual Catch Limits and Landings

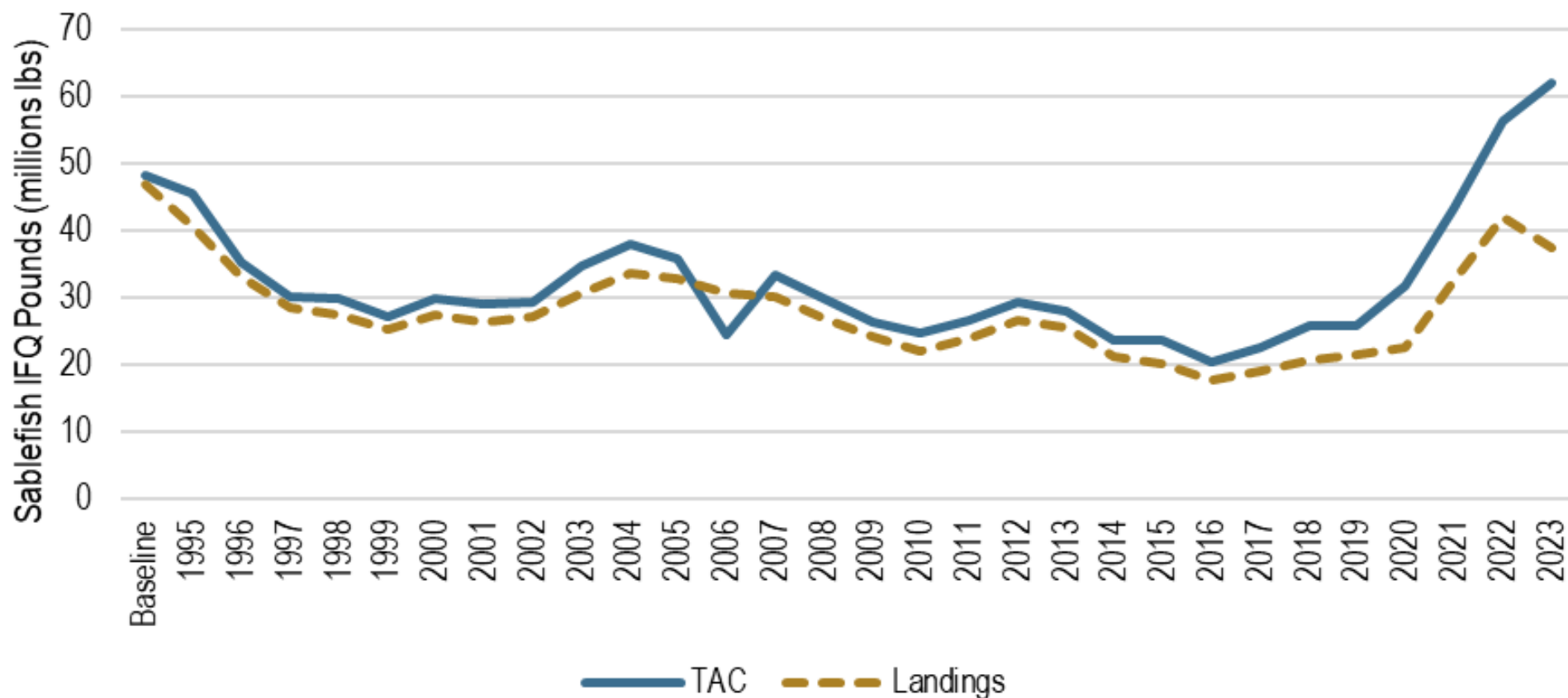
Figure 3. Annual Halibut TAC and Landings (page 30)



Source: NPMFC (2024)

Subsection 2.2: Annual Catch Limits and Landings

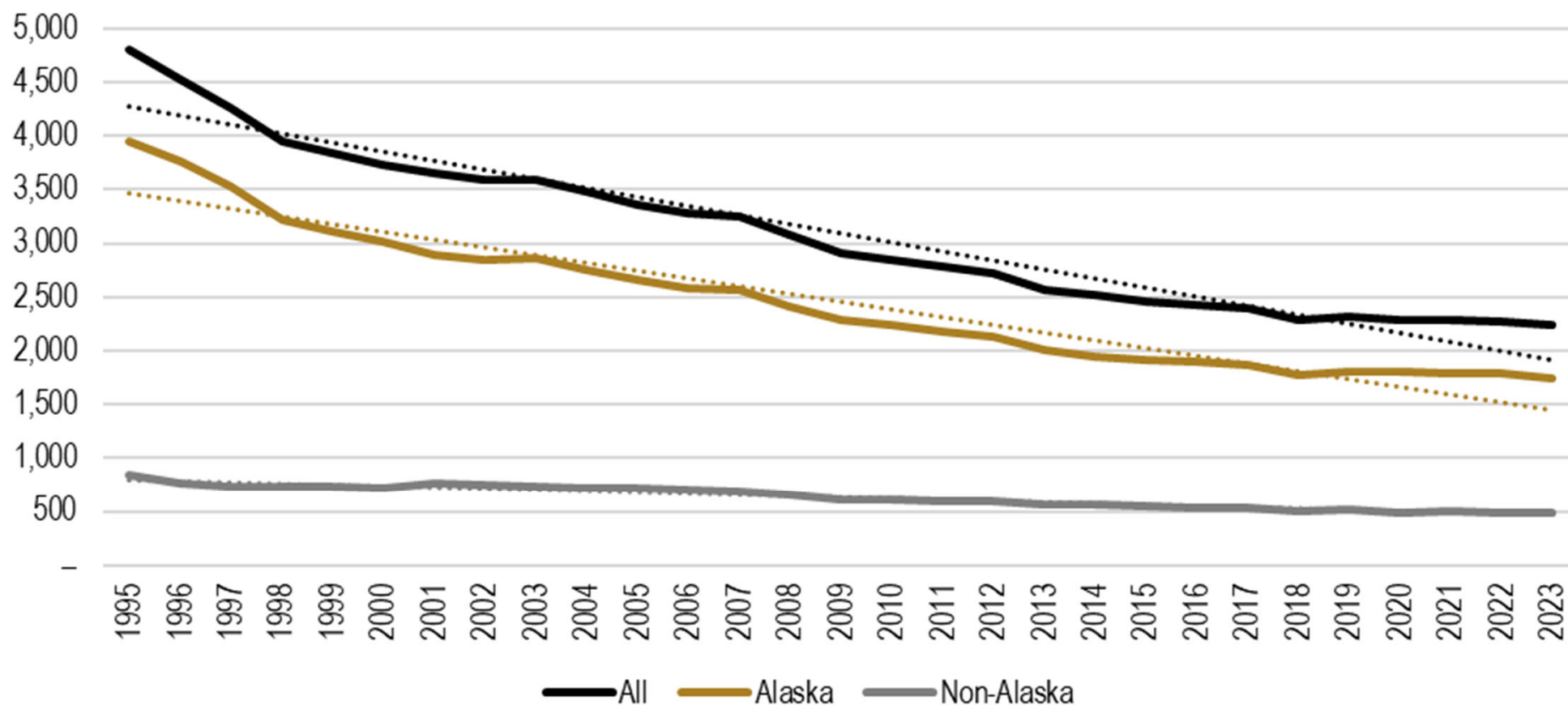
Figure 4. Annual Sablefish TAC and Landings (page 31)



Source: NPMFC (2024)

Subsection 2.3: Allocation and Distribution of QS — Halibut

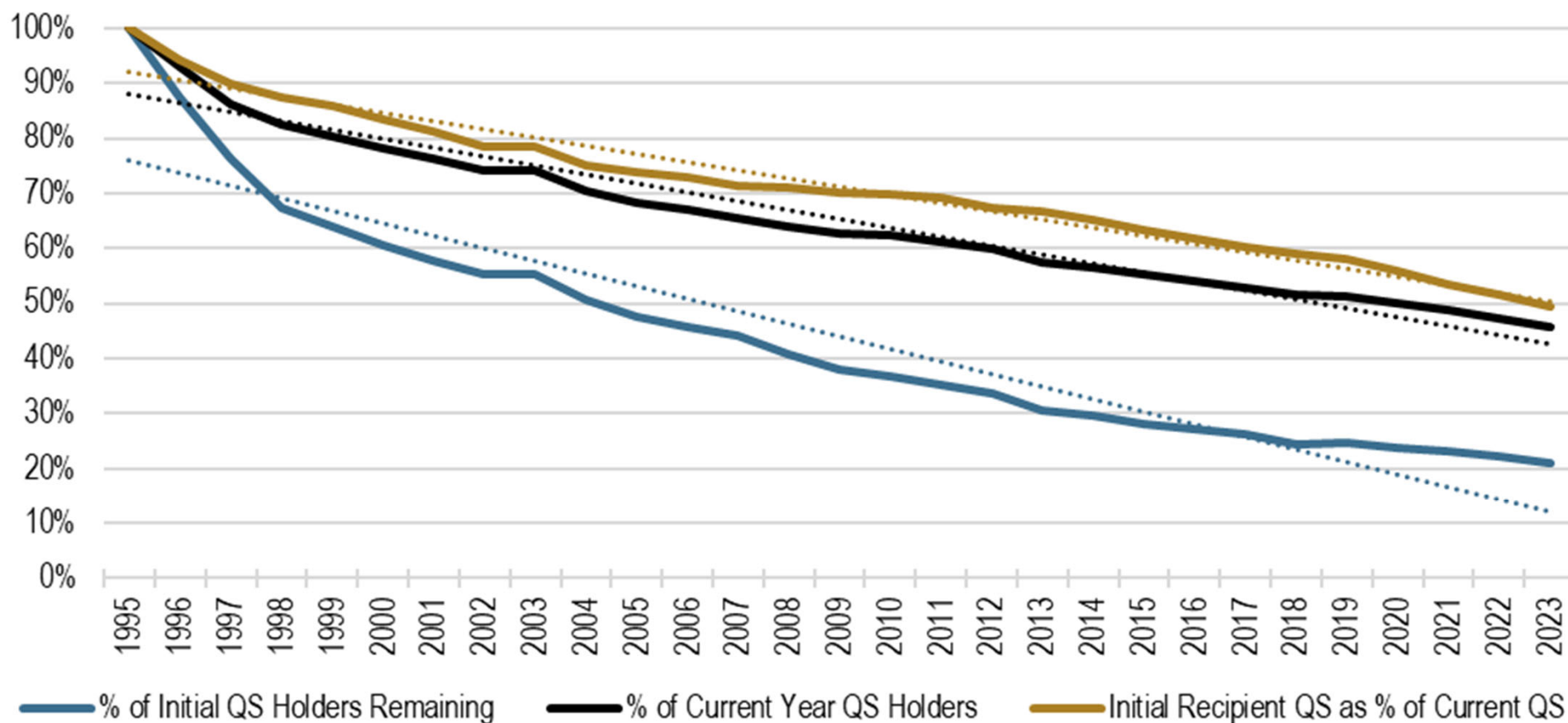
Figure 5. Number of All, Alaska, Non-Alaska QS Holders (p. 32)



Source: Developed by Northern Economics based on data from NMFS (2024d)

Subsection 2.3: Allocation and Distribution of QS — Halibut

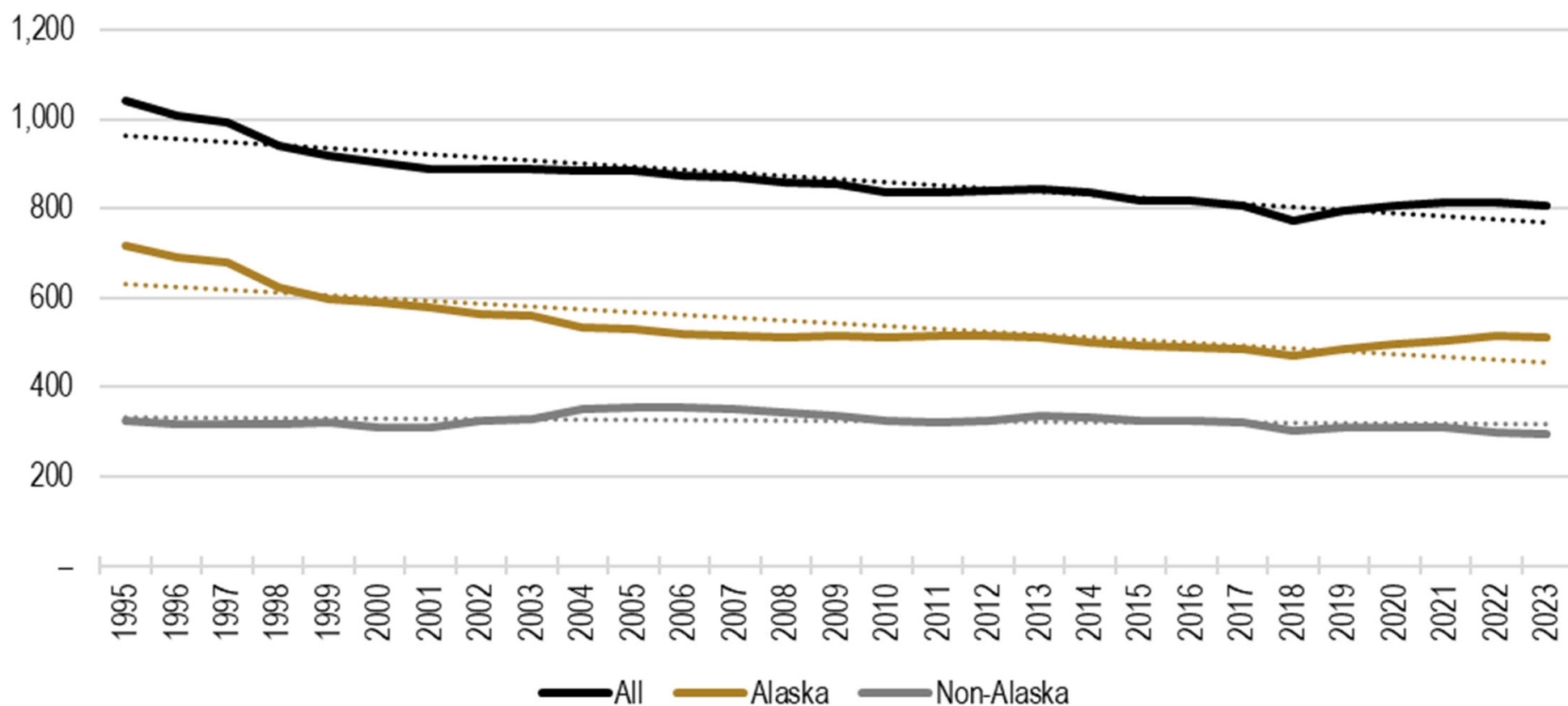
Figure 10. Initial Halibut QS Holder Percentages (page 35)



Source: Developed by Northern Economics based on data from NMFS (2024d)

Subsection 2.3: Allocation and Distribution of QS — Sablefish

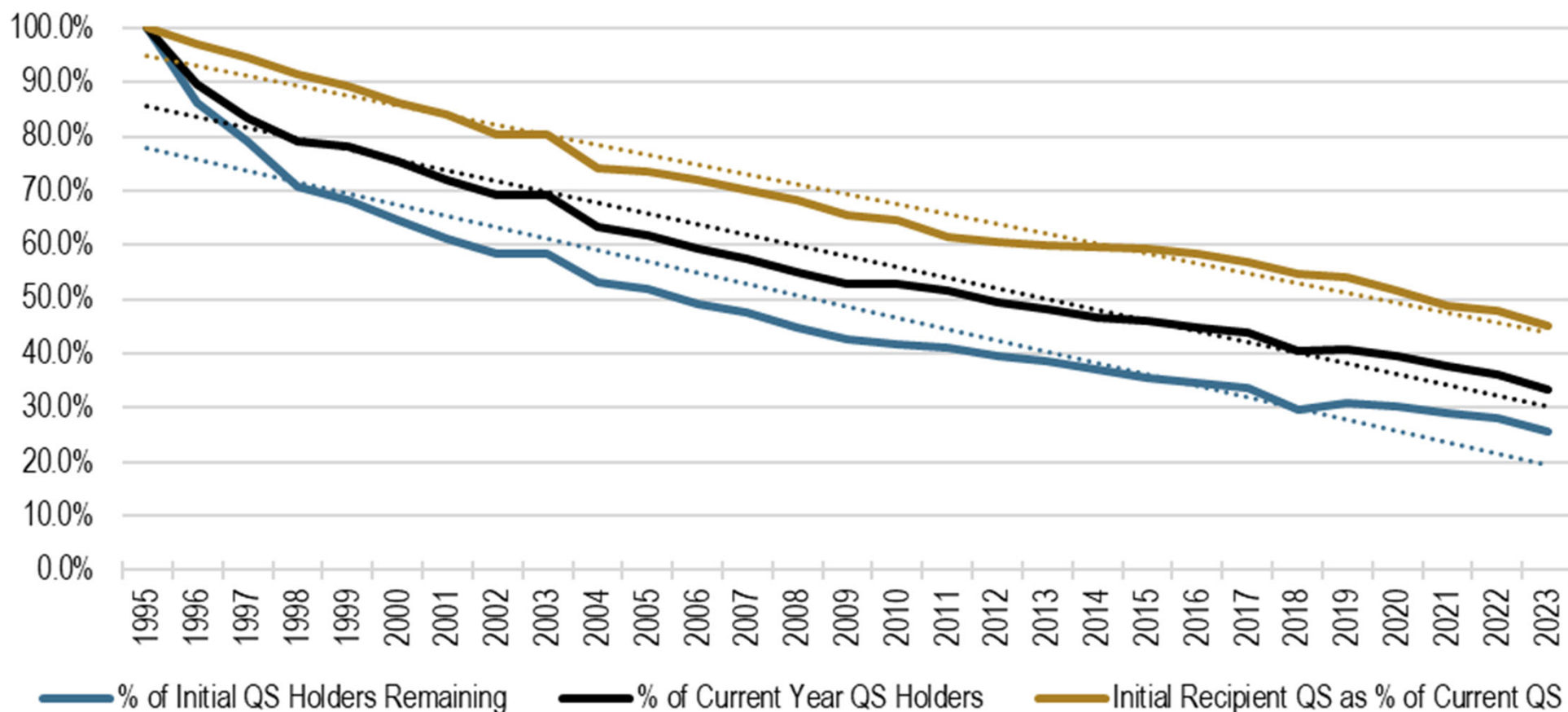
Figure 15. Number of All, Alaska, Non-Alaska Sablefish QS Holders (p. 38)



Source: Developed by Northern Economics based on data from NMFS (2024d)

Subsection 2.3: Allocation and Distribution of QS — Sablefish

Figure 20. Initial Sablefish QS Holder Percentages (p. 41)



Source: Developed by Northern Economics based on data from NMFS (2024d)

Subsection 2.4: Harvesting Flexibility, Harvest Capacity, Gear and Allocation Conflicts, & Product Wholesomeness

This section provides summaries of the following issues:

- Halibut and sablefish season lengths and harvest by month for 2015–2023 (Section 2.4.1)
- Numbers of active vessels harvesting halibut and sablefish for 2000–2023 (Section 2.4.2.1)
- Utilization by regulatory area for halibut and sablefish for 2013–2023 (Section 2.4.2.2)
- Overage violations (Section 2.4.2.3)
- Delivery conditions for halibut (Section 2.4.4.1) and Sablefish (Section 2.4.4.2)
- Fleet composition—vessels fishing for halibut, sablefish, or for both ((Section 2.4.5.1)
- Size of participating vessels (Section 2.4.5.2)
- QS distribution by vessel length (Section 2.4.5.3)

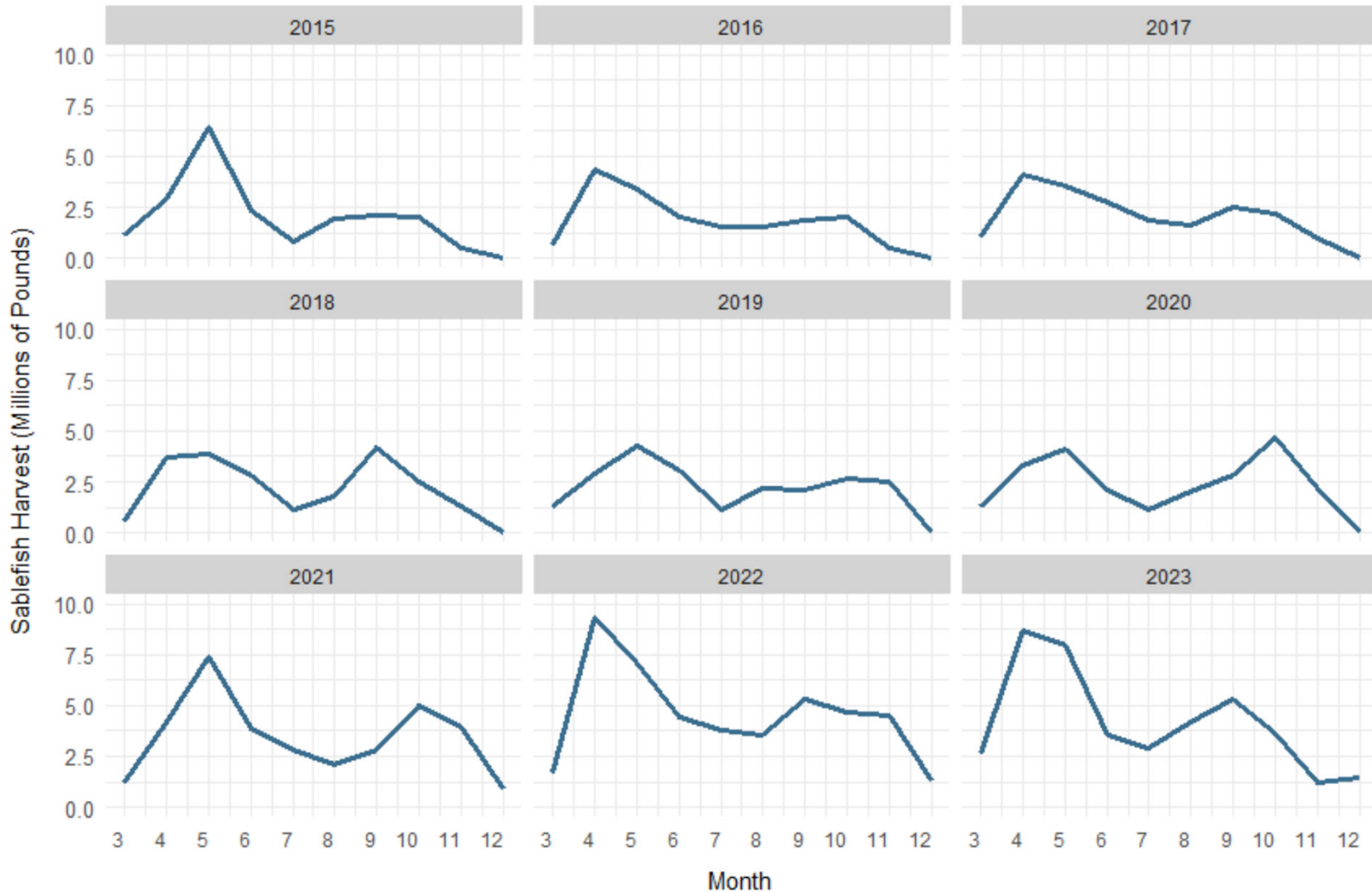
Subsection 2.4: Harvesting Flexibility, Harvest Capacity, Gear and Allocation Conflicts, & Product Wholesomeness

This section provides summaries of the following issues:

- Distribution of revenue by vessel length (Section 2.4.5.4)
- Diversity of landings by participating vessels (Section 2.4.5.5)
- Gear usage (Section 2.4.5.6)
- Size of participating vessels (Section 2.4.5.2)
- QS distribution by vessel length (Section 2.4.5.3)
- Distribution of revenue by vessel length (Section 2.4.5.4)
- Diversity of landings Among participating vessels (Section 2.4.5.5)
- Gear usage (Section 2.4.5.6)

Harvest Flexibility—Season Length

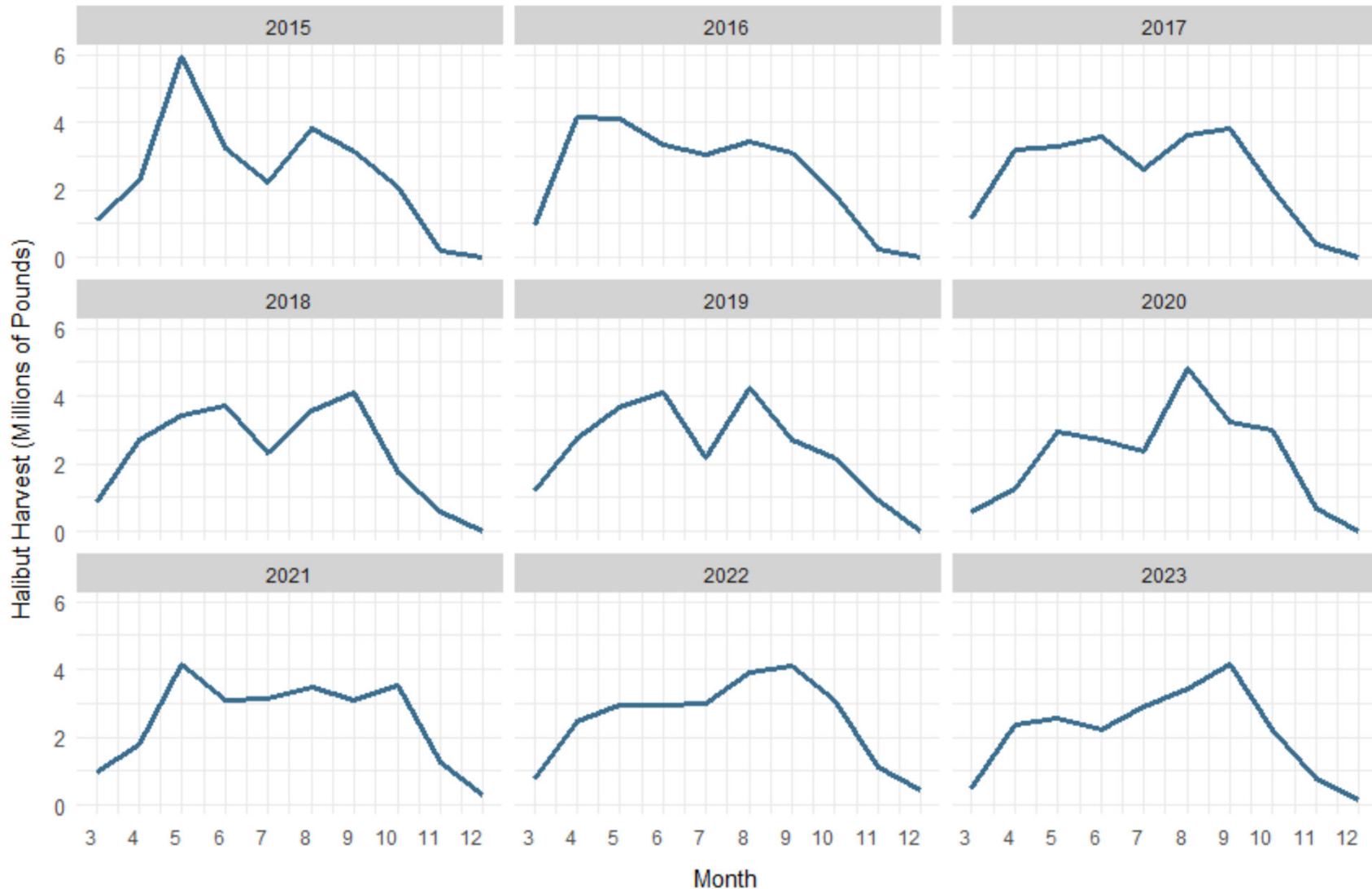
- Figure 25. Sablefish Harvest by Month (p. 45)



Source: Developed by Northern Economics based on data from AKFIN (2024)

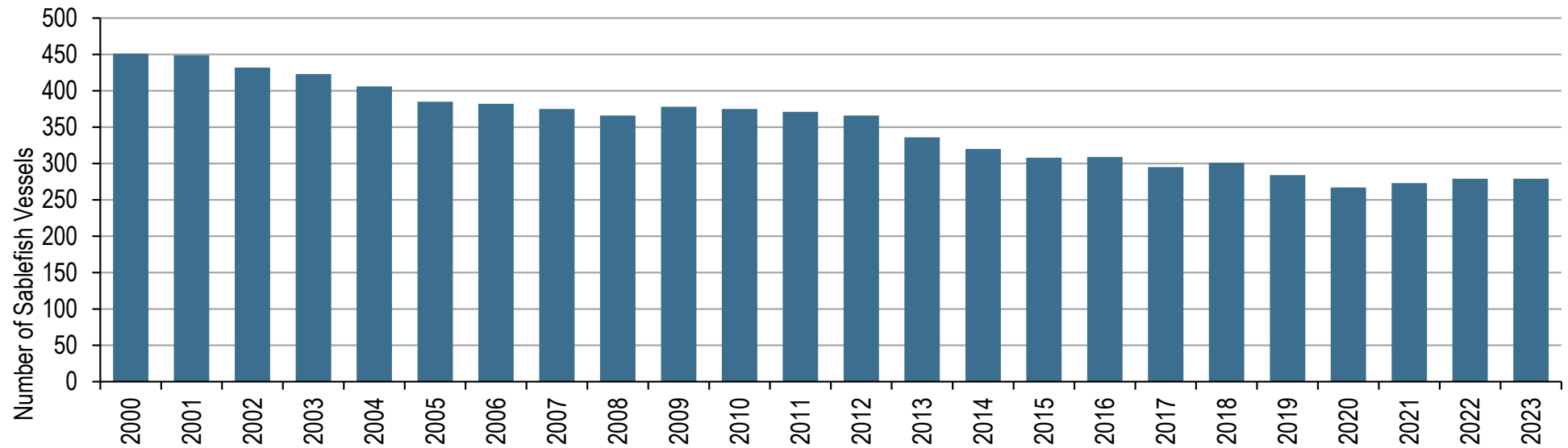
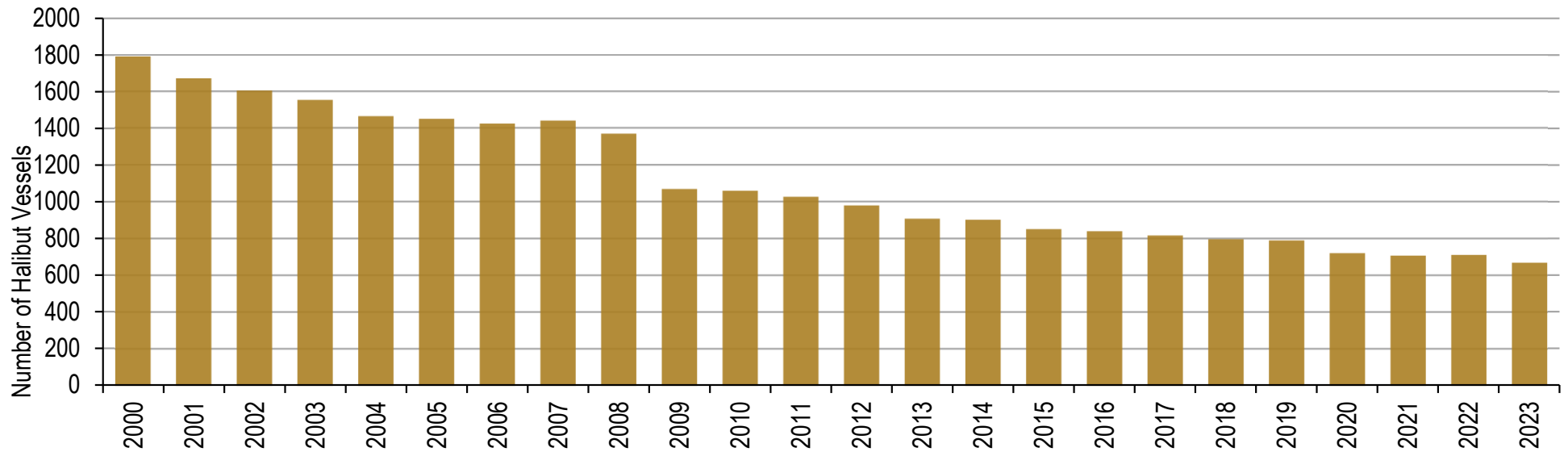
Harvest Flexibility—Season Length

- Figure 26. Halibut Harvest by Month (p. 46)



Source: Developed by Northern Economics based on data from AKFIN (2024)

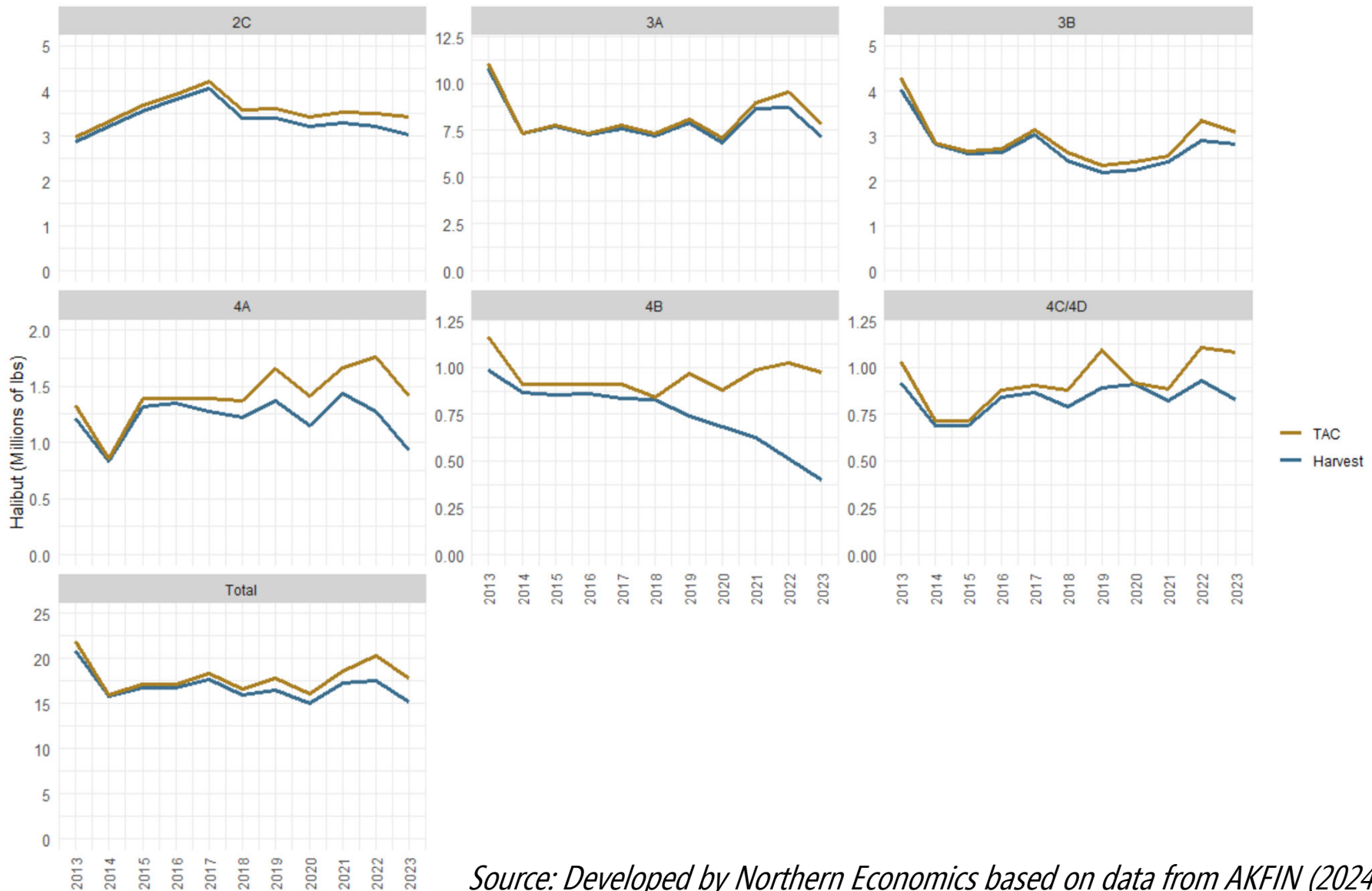
Harvest Capacity: Figures 27 & 28 (pp 47,48)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Halibut Utilization by Regulatory Area

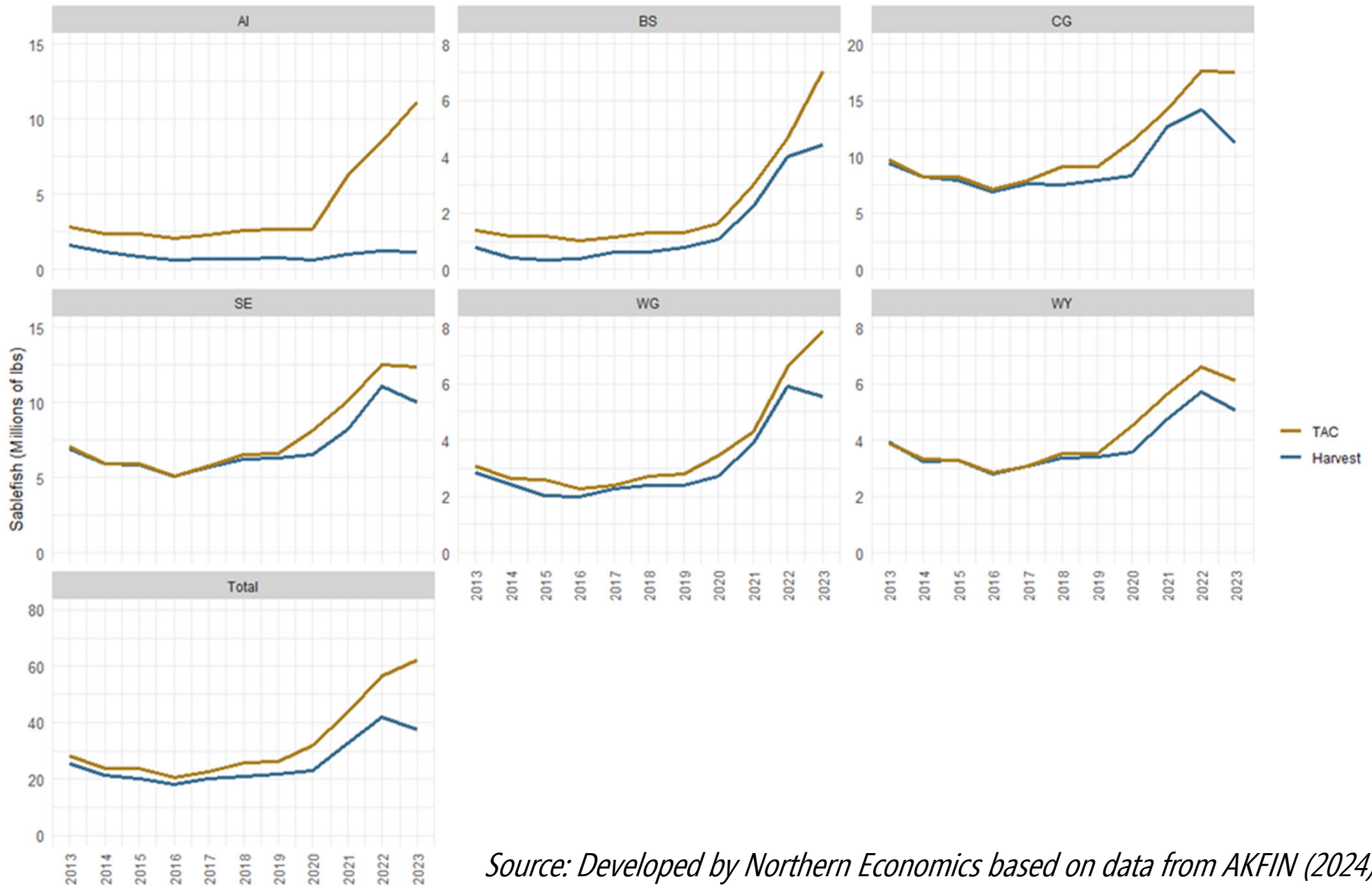
Figure 29. Halibut IFQ Landings and TAC by Regulatory Area (p. 49)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Sablefish Utilization by Regulatory Area

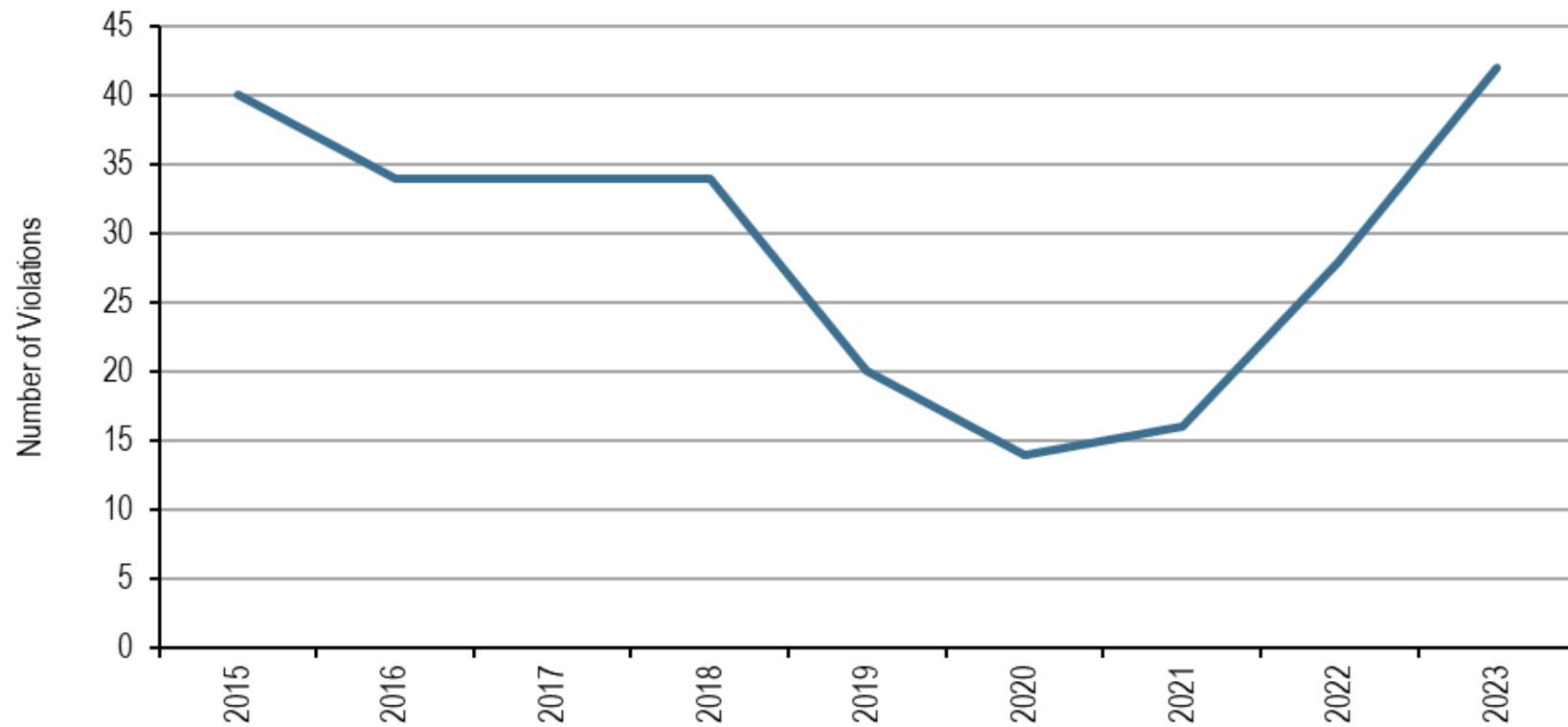
Figure 30. Sablefish IFQ Landings and TAC by Regulatory Area (p. 50)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Overage Violations

Figure 33. Halibut and Sablefish IFQ Overage Violations (page 53)



Source: NOAA OLE Electronic Case Management System

Product Wholesomeness

Figure 34. Halibut Delivery Condition Percent by Weight —Round Lbs. (p. 55)

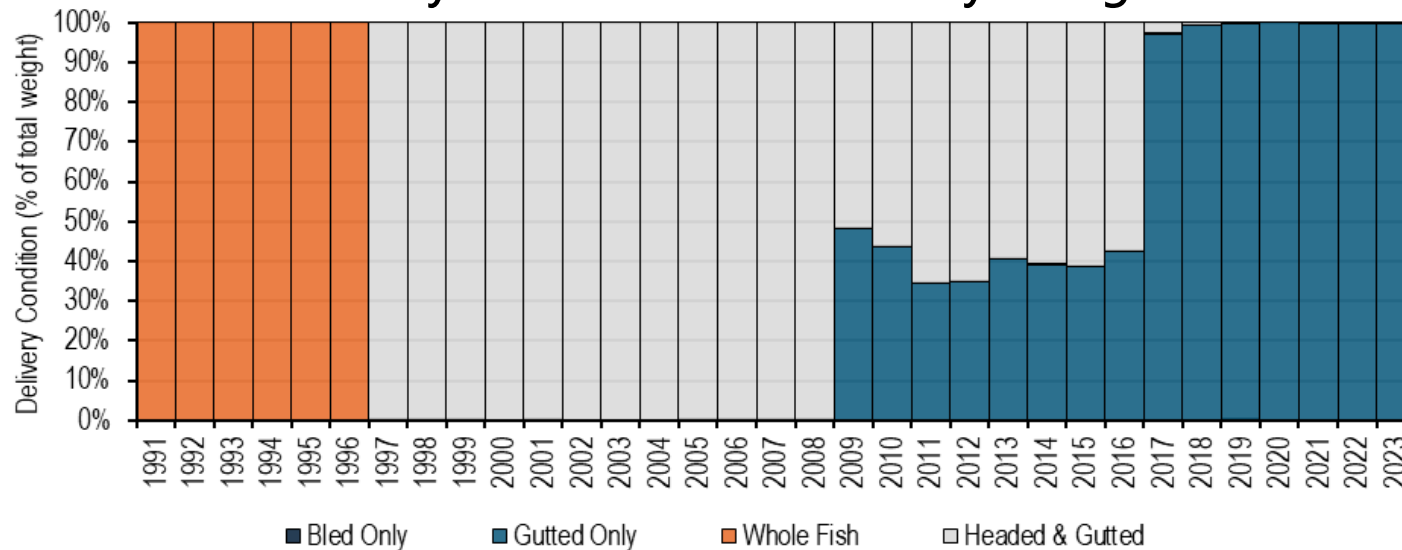
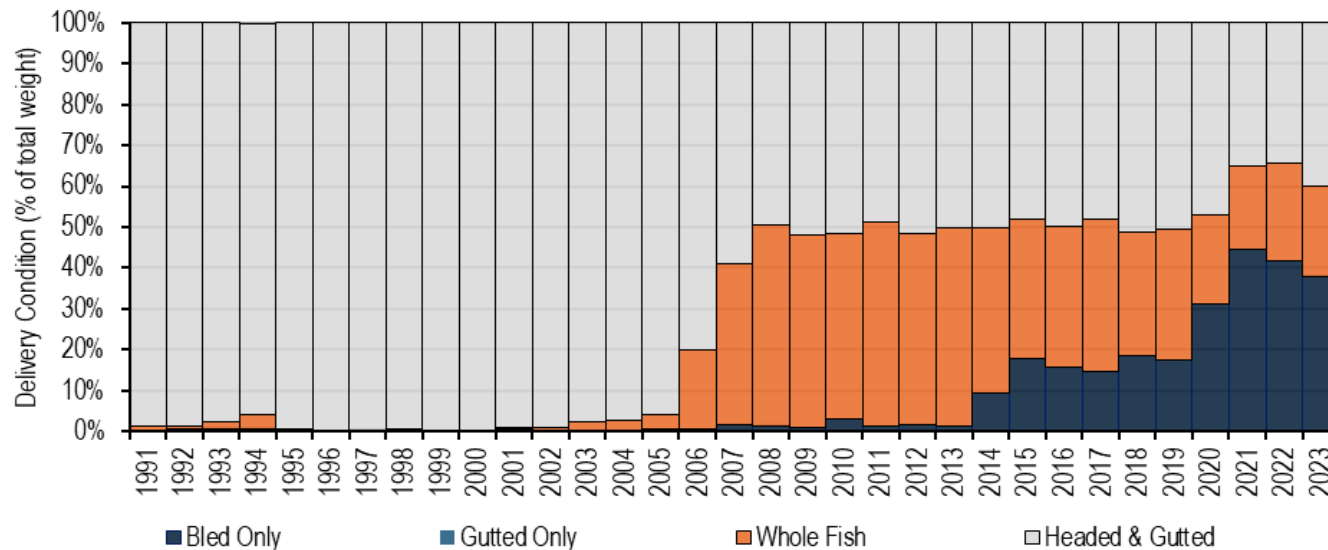


Figure 35. Sablefish Delivery Condition Percent by Weight—Round Lbs. (p. 56)



Source: Developed by Northern Economics based on data from AKFIN (2024)

IFQ Fleet Diversity by Vessel Length

Table 9. Number of Active Halibuts Vessel by Length (p. 59)

QS Class Category	2014		2023		Percent change in Number of Vessels
	Number of Vessels	% of Vessels	Number of Vessels	% of Vessels	
≤ 35 FT	276	30.6%	193	28.8%	-30.1%
> 35 and ≥ 60 FT	565	62.6%	430	64.2%	-23.9%
>60 FT	62	6.9%	47	7.0%	-24.2%
Total	903	100%	670	100%	-25.8%

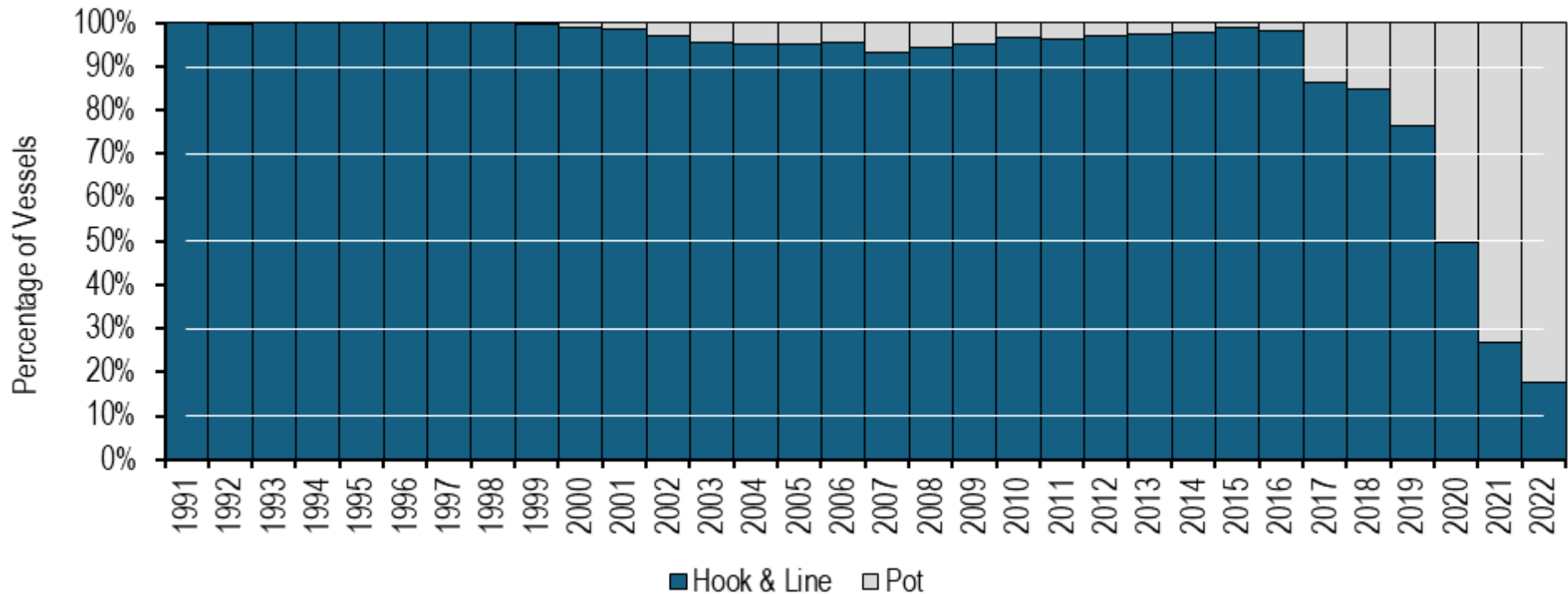
Table 10. Number of Active Sablefish Vessels by Length (p. 60)

QS Class Category	2014		2023		Percent Change in Number of Vessels
	Number of Vessels	% of Vessels	Number of Vessels	% of Vessels	
≤60 FT	264	82.5%	234	83.3%	-11.4%
>60 FT	56	17.5%	47	16.7%	-16.1%
Total	320	100%	281	100%	-12.2%

Source: Developed by Northern Economics based on data from AKFIN (2024)

Gear Usage in the Sablefish Fishery

Figure 44. Percentage of Gear Used in the Sablefish Fishery (p.68)

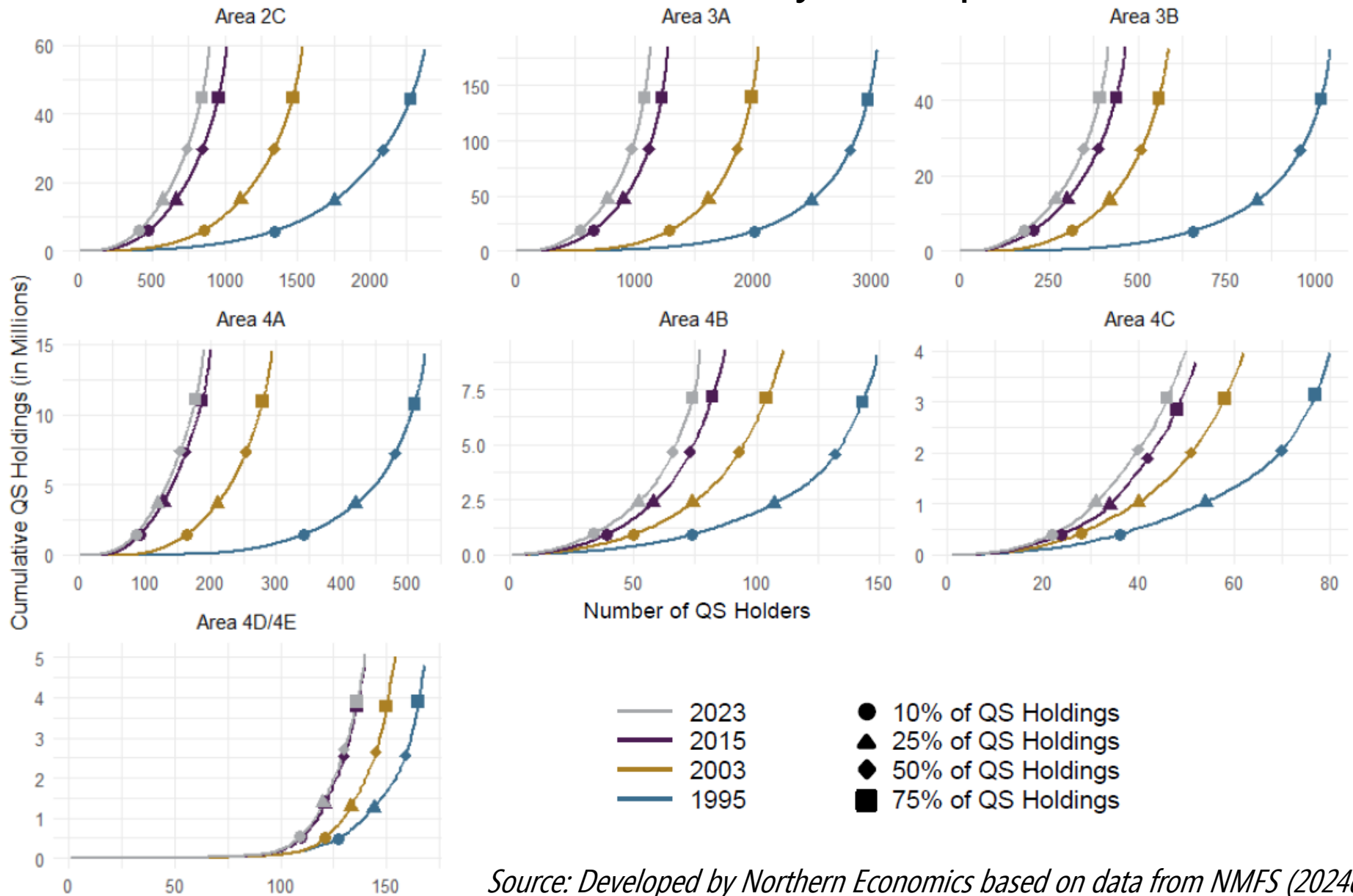


Source: Developed by Northern Economics based on data from AKFIN (2024)

- Amendment 118 approved in 2022 allows the use of pot gear in the halibut IFQ fishery, but pot gear landing of halibut remains very low (<0.5%).

Consolidation of QS Allocations for Halibut

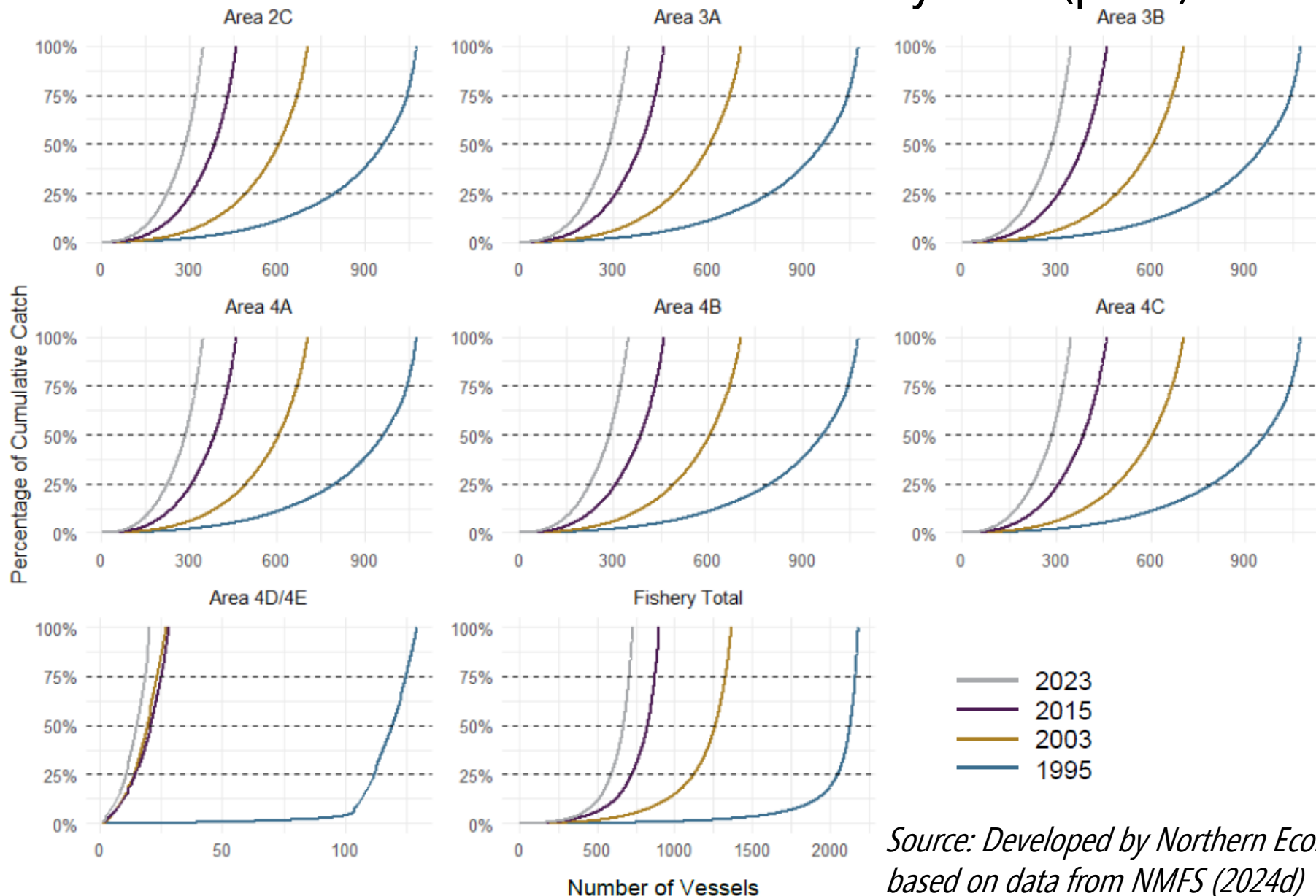
Figure 45. Consolidation of Halibut QS by Area (p. 70)



Source: Developed by Northern Economics based on data from NMFS (2024d)

Consolidation of IFQ Harvests for Halibut

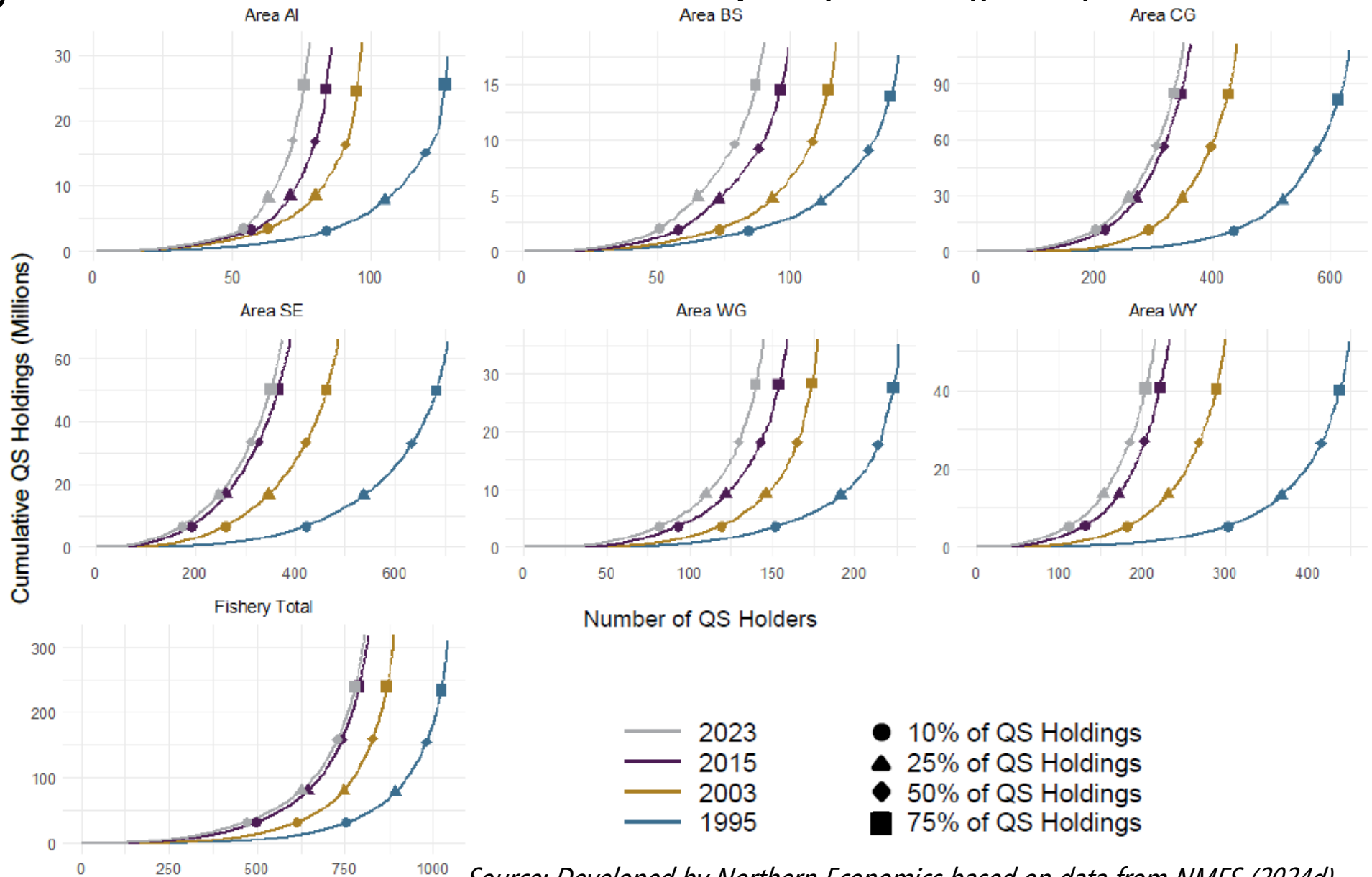
Figure 46. Consolidation of Halibut Harvests by Area (p. 73)



Source: Developed by Northern Economics based on data from NMFS (2024d)

Consolidation of QS Allocations for Sablefish

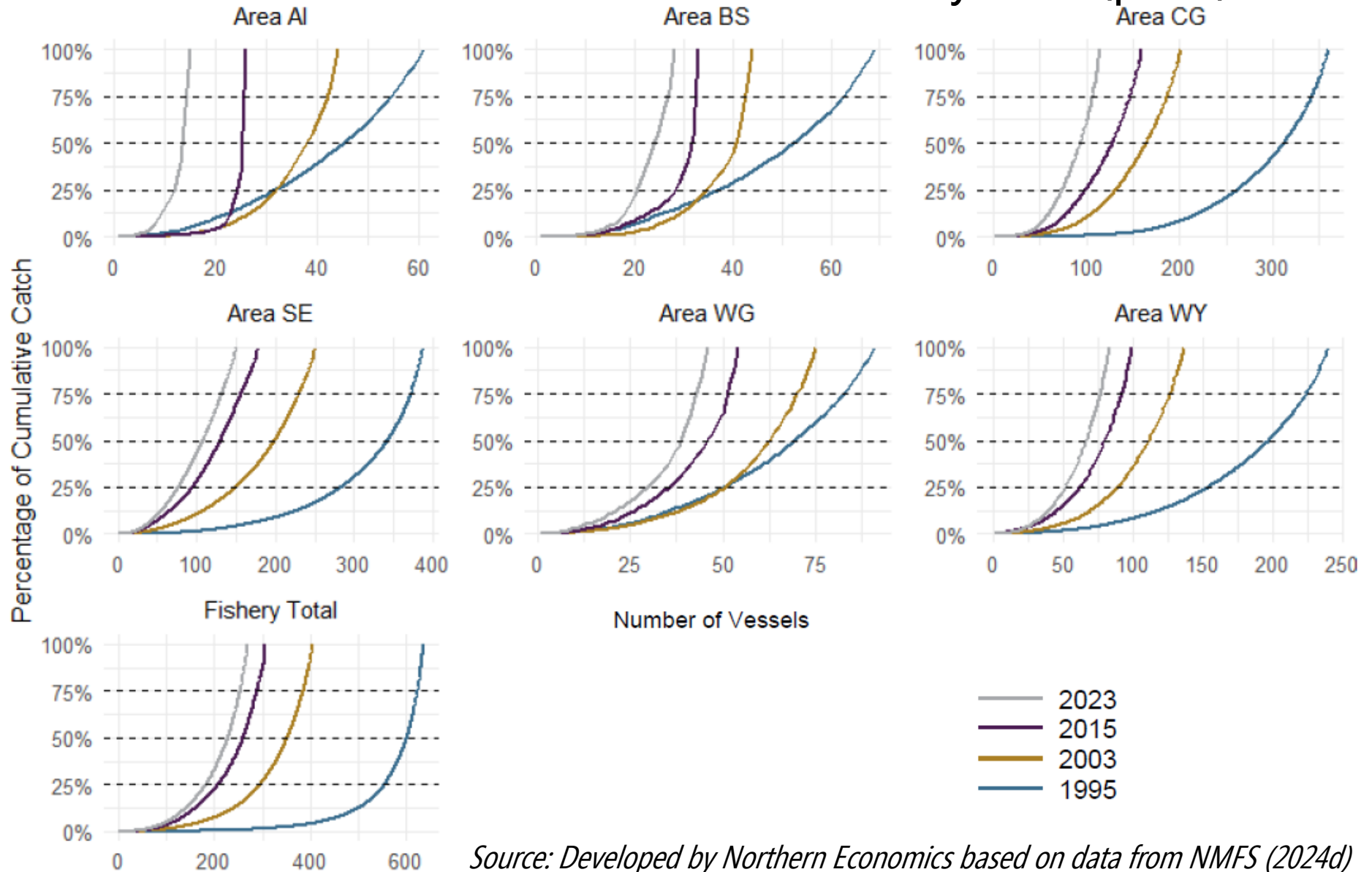
Figure 47. Consolidation of Sablefish QS by Area (p. 76)



Source: Developed by Northern Economics based on data from NMFS (2024d)

Consolidation of IFQ Harvests for Sablefish

Figure 48. Consolidation of Sablefish Harvests by Area (p. 78)



Source: Developed by Northern Economics based on data from NMFS (2024d)

Subsection 2.5: Crewmember Impacts

- Objective 5: Maintain the existing business relationships among **vessel owners, crews**, and processors
- Estimates crew & skipper trips from 1991–2023, along with vessel trips
- Estimates crew & skipper days at sea from 2009–2023 along with vessel days
- Estimate number of individuals who became “bonafide crew” and purchased QS/IFQs

Halibut Crew & Vessel Trips & Days-at-Sea

Figure 49. Number of Halibut Vessel Trips and Crew/Skipper Trips (p.81)

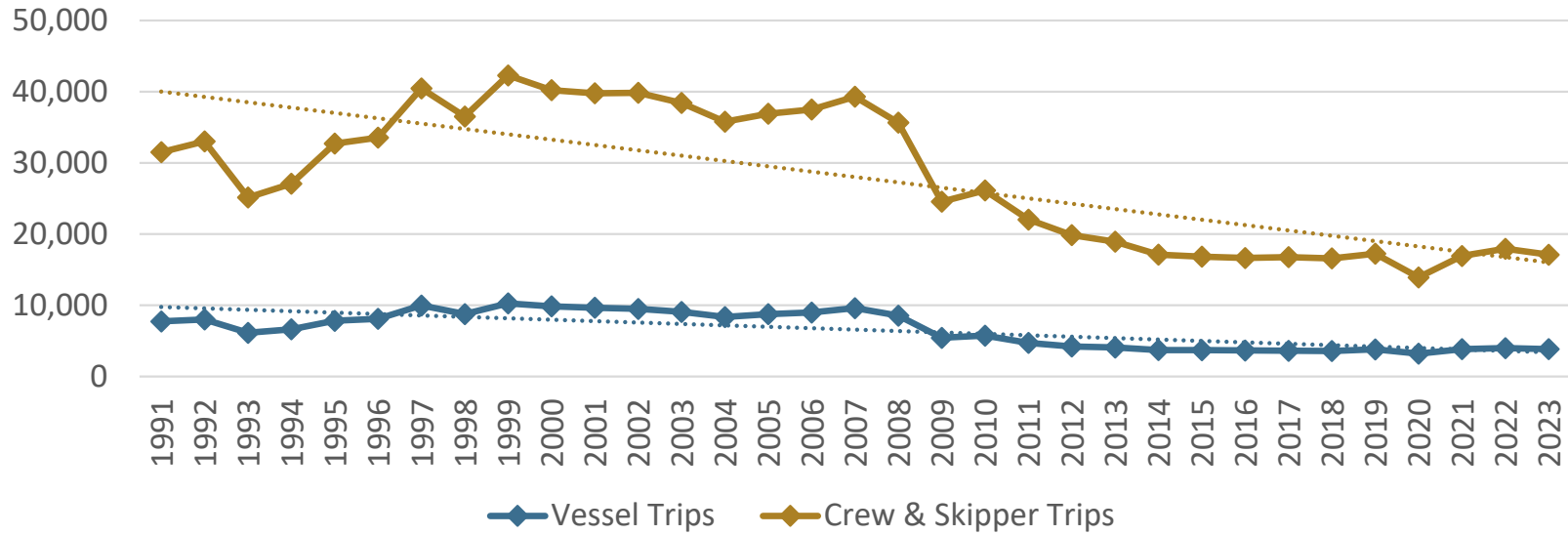
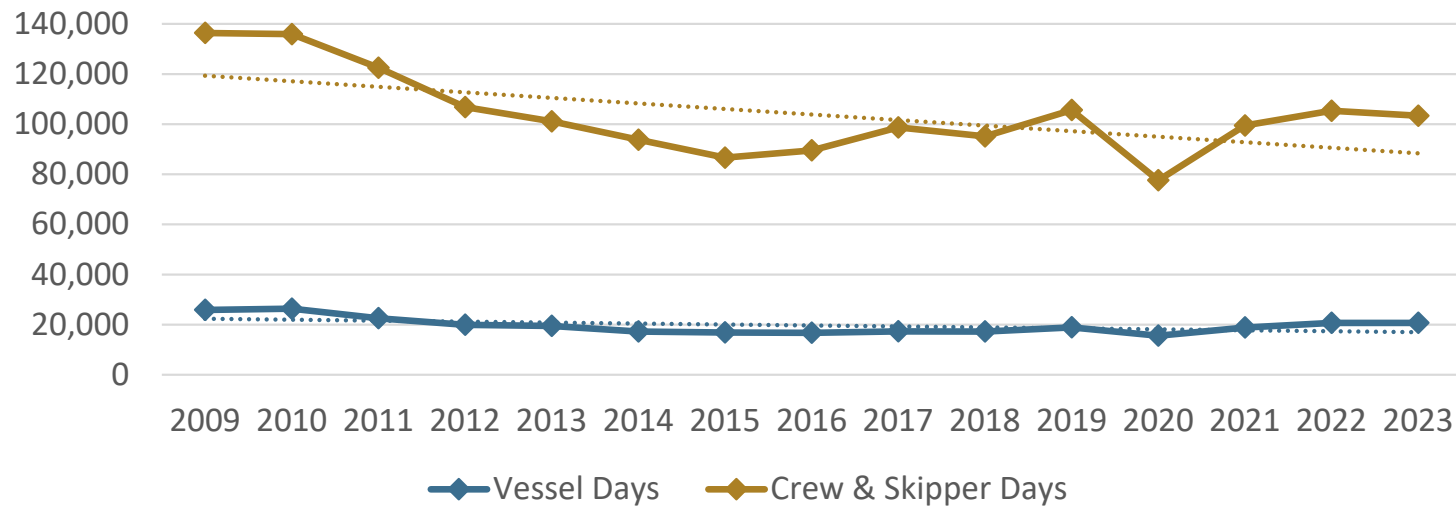


Figure 50. Number of Halibut Vessel Days and Crew/Skipper Days (p.81)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Sablefish Crew & Vessel Trips & Days-at-Sea

Figure 51. Number of Sablefish Vessel Trips and Crew/Skipper Trips (p.82)

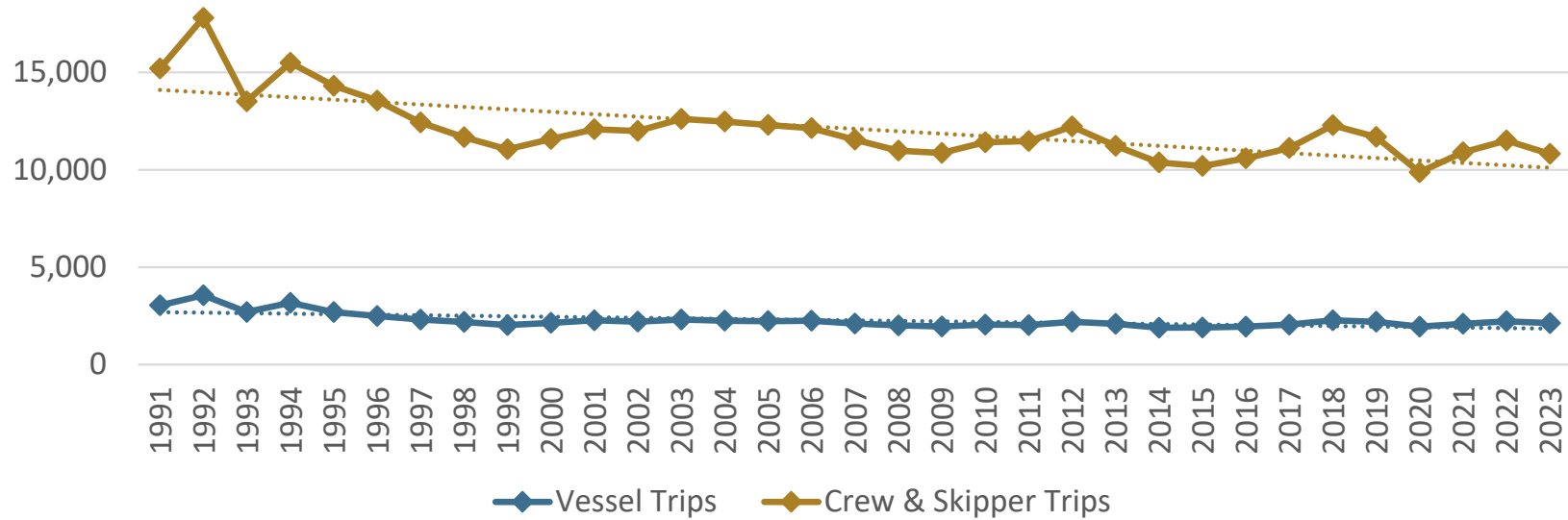
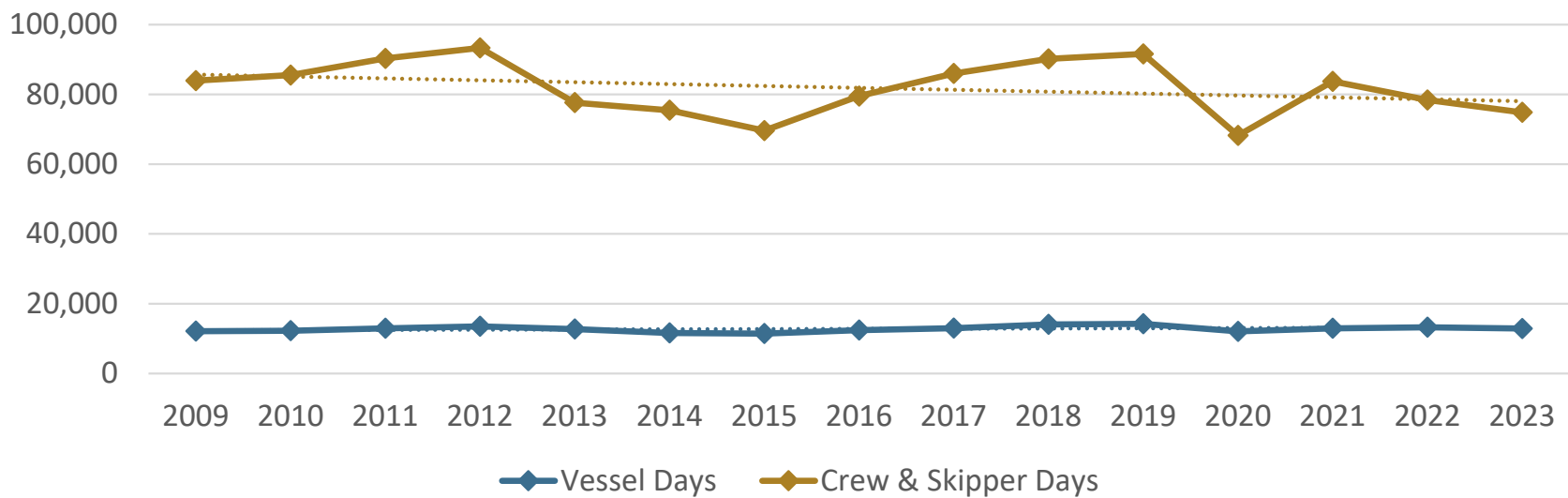


Figure 52. Number of Sablefish Vessel Days and Crew/Skipper Days (p.82)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Sablefish QS Owned by Crew in 2023

- Alaskan IFQ Crewmembers own 50% or more of Crew-owned QS in every Sablefish Management Area
 - Largest Crew

Table 29. Count Of All Individuals Who Have Become Sablefish IFQ Crewmembers as of 2023 and Current QS Holdings (p. 86)

Area	Alaskans		Non-Alaskans		Proportion		
	Persons	QS Units	Persons	QS Units	IFQ crewmember QS held by AK crew	All QS held by AK crew	All QS held by crew
BS	25	4,999,761	15	3,569,135	58.3%	26.7%	45.7%
CG	116	20,486,219	161	18,480,799	52.6%	18.3%	34.9%
SE	149	24,764,517	134	8,970,472	73.4%	37.5%	51.0%
WG	37	6,547,654	66	6,492,624	50.2%	18.2%	36.2%
WY	54	9,150,081	94	6,628,229	58.0%	17.2%	29.6%
AI	18	6,746,842	26	4,031,171	62.6%	21.1%	33.8%
Total		72,695,074		48,172,430	60.1%	22.9%	38.0%

Source: NMFS (2023a)

Halibut QS Owned by Crew in 2023

- Alaskan IFQ Crewmembers own 69.7% of all Halibut QS owned by Crewmembers over all management areas.

Table 30. Count Of All Individuals Who Have Become Halibut IFQ Crewmembers as of 2023 and Current QS Holdings (p. 86)

Area	Alaskans		Non-Alaskans		Proportion		
	Persons	QS Units	Persons	QS Units	IFQ Crewmember QS held by AK crew	All QS held by AK crew	All QS held by crew
2C	397	27,324,017	80	4,806,080	85.0%	45.9%	54.0%
3A	455	57,252,897	136	25,232,512	69.4%	31.1%	44.7%
3B	158	15,446,497	55	11,649,299	57.0%	28.5%	50.0%
4A	78	6,578,087	25	1,715,558	79.3%	45.1%	56.9%
4B	20	1,565,708	20	1,904,054	45.1%	16.9%	37.4%
4C	17	1,134,668	12	1,072,192	51.4%	28.3%	54.9%
4D	11	1,165,516	15	1,559,509	42.8%	23.5%	55.0%
4E	1	84	1	698	10.7%	0.1%	0.6%
Total		110,467,474		47,939,902	69.7%	33.4%	47.9%

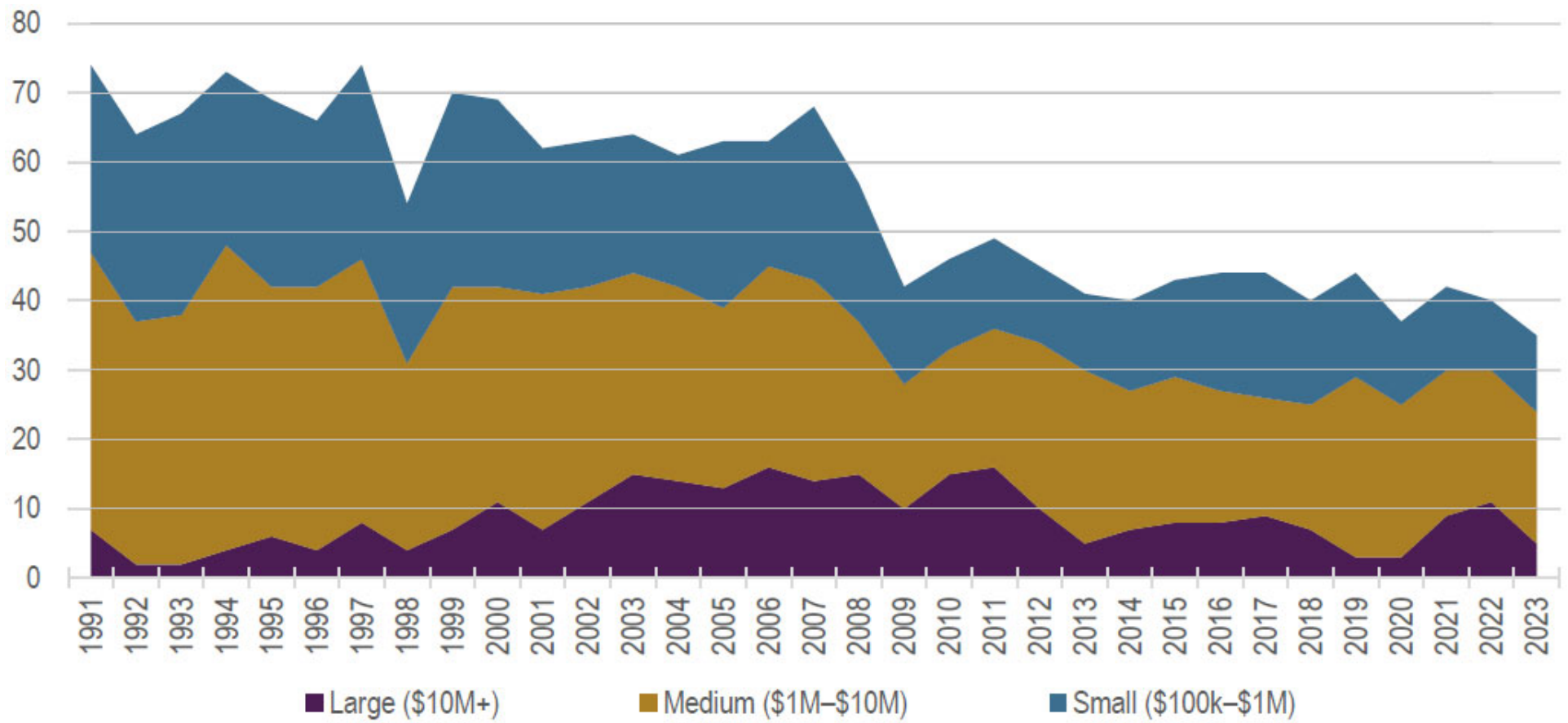
Source: NMFS (2023a)

Subsection 2.6.1: Processor Participation

- Summarizes shore-based processor activity in Sablefish and Halibut fisheries
 - Shows participation by size of processors
 - Shows participation by regions of processors
 - Shows numbers of buying days by Region

Onshore Buyers and Processors

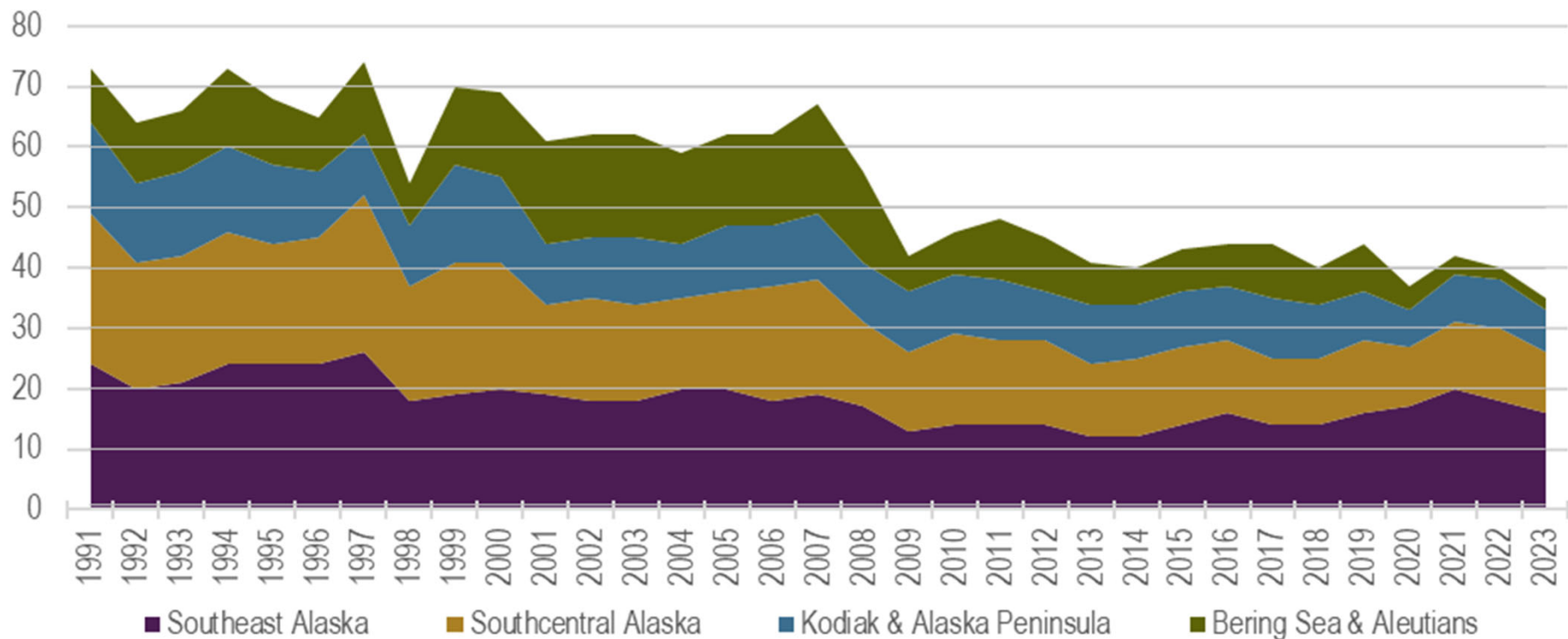
Figure 55. Number of Alaska Buyers and Processors in the Halibut and Sablefish IFQ Fisheries (p. 88)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Onshore Buyers and Processors

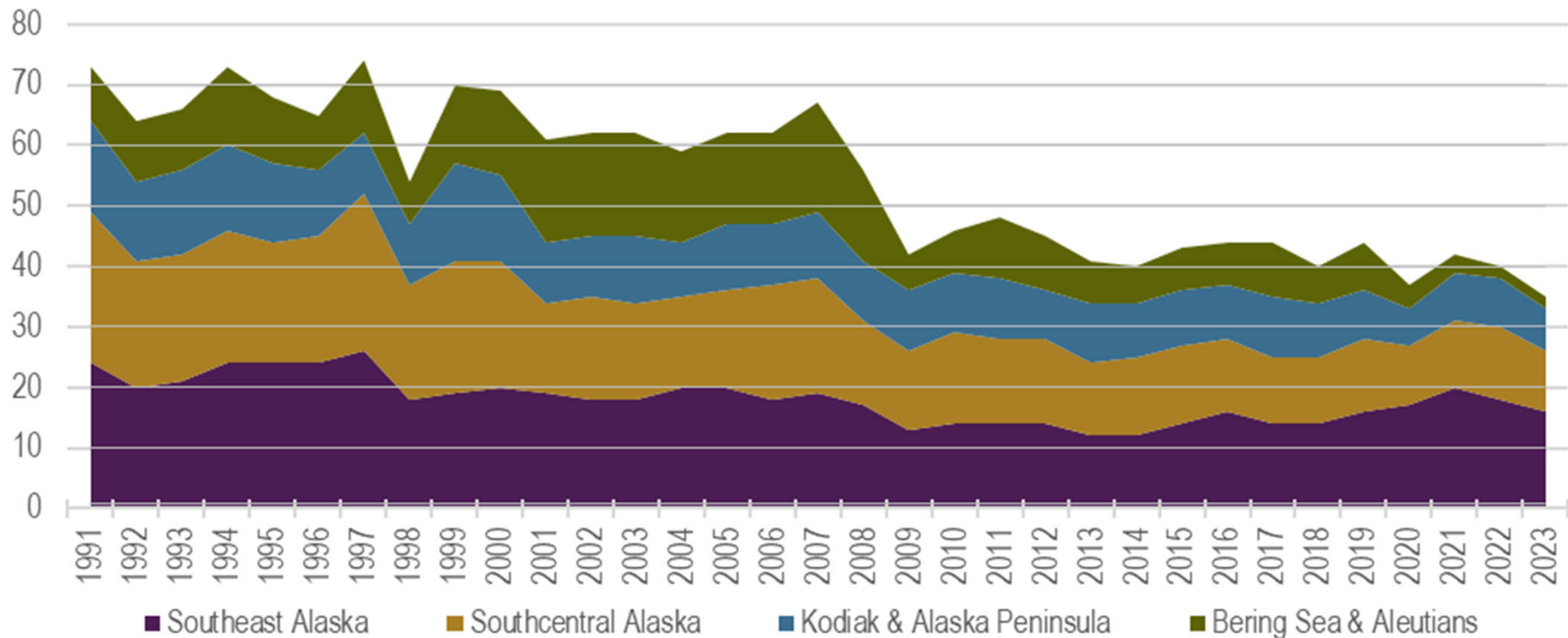
Figure 57. Number of Small, Medium, and Large Onshore Buyers/Processors by Alaska Region (p. 89)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Onshore Buyers and Processors

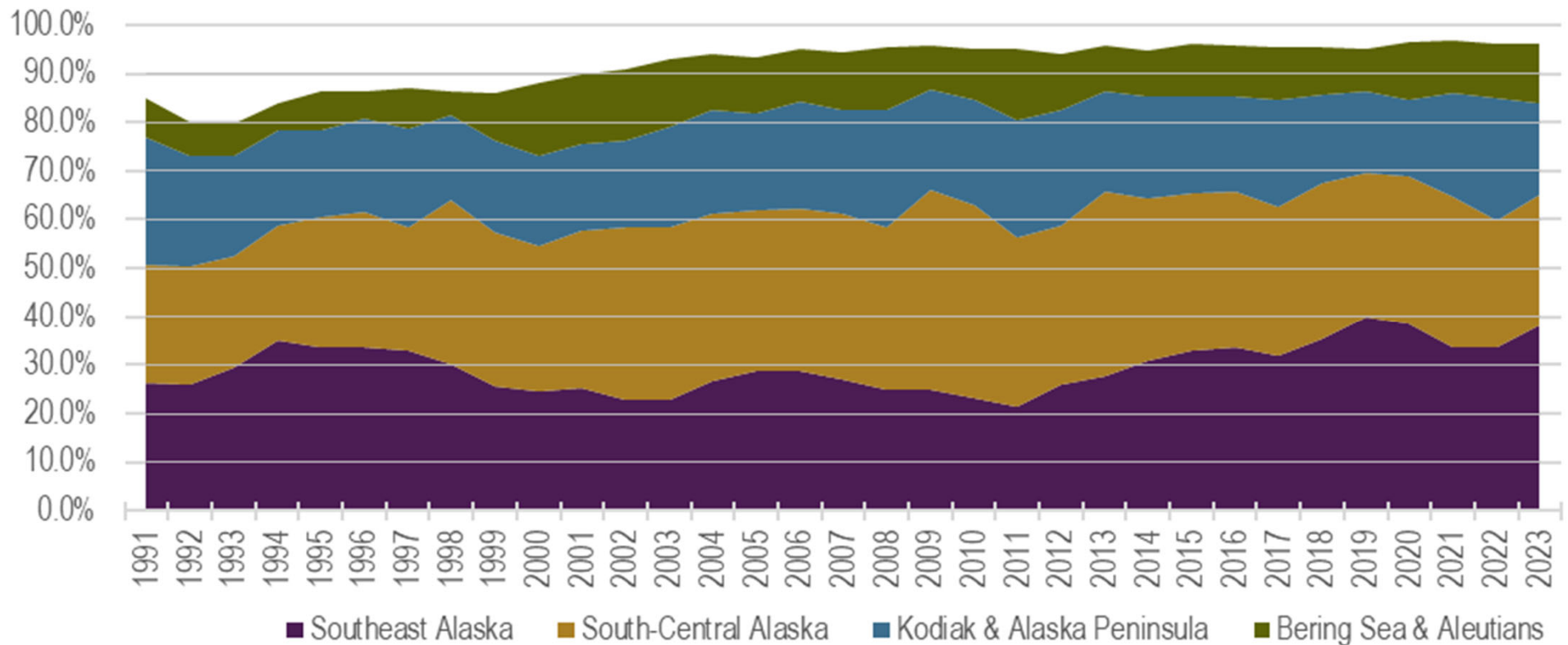
Figure 58. Total Port-Level Buying Days of Onshore Buyers/Processors by Alaska Region (p. 90)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Onshore Buyers and Processors

Figure 59. Cumulative Percent of Halibut and Sablefish Ex-Vessel Value by Onshore Region (p. 90)



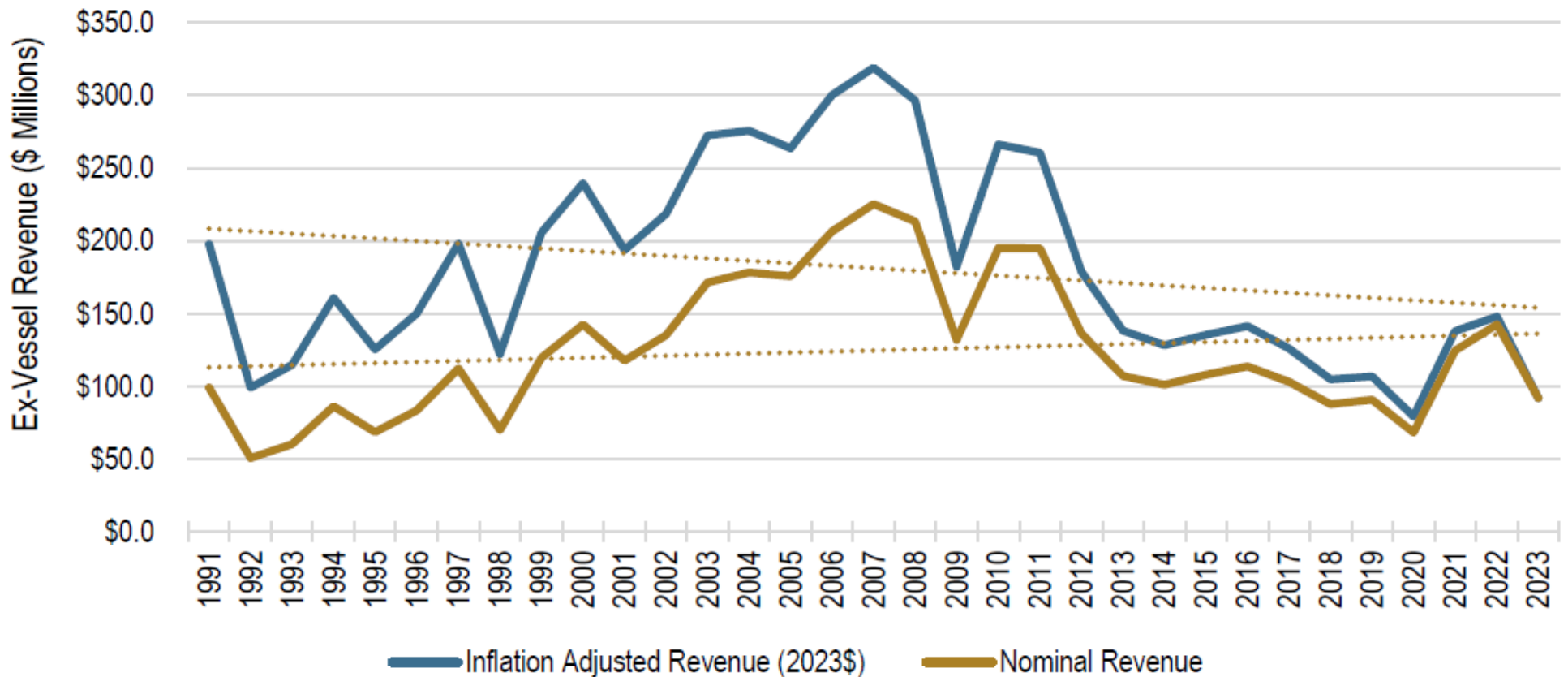
Source: Developed by Northern Economics based on data from AKFIN (2024)

Subsection 2.6.2: Harvester Participation

- Summarizes harvester activity in the IFQ Fisheries
 - Landed Pounds
 - Ex-Vessel Revenues (nominal and inflation adjusted)
 - Permit Holders by Place of Residence
 - Revenue per Person by Place of Residence
 - Number of Vessels (Alaska Non-Alaska)

Participation and revenue in the halibut fishery

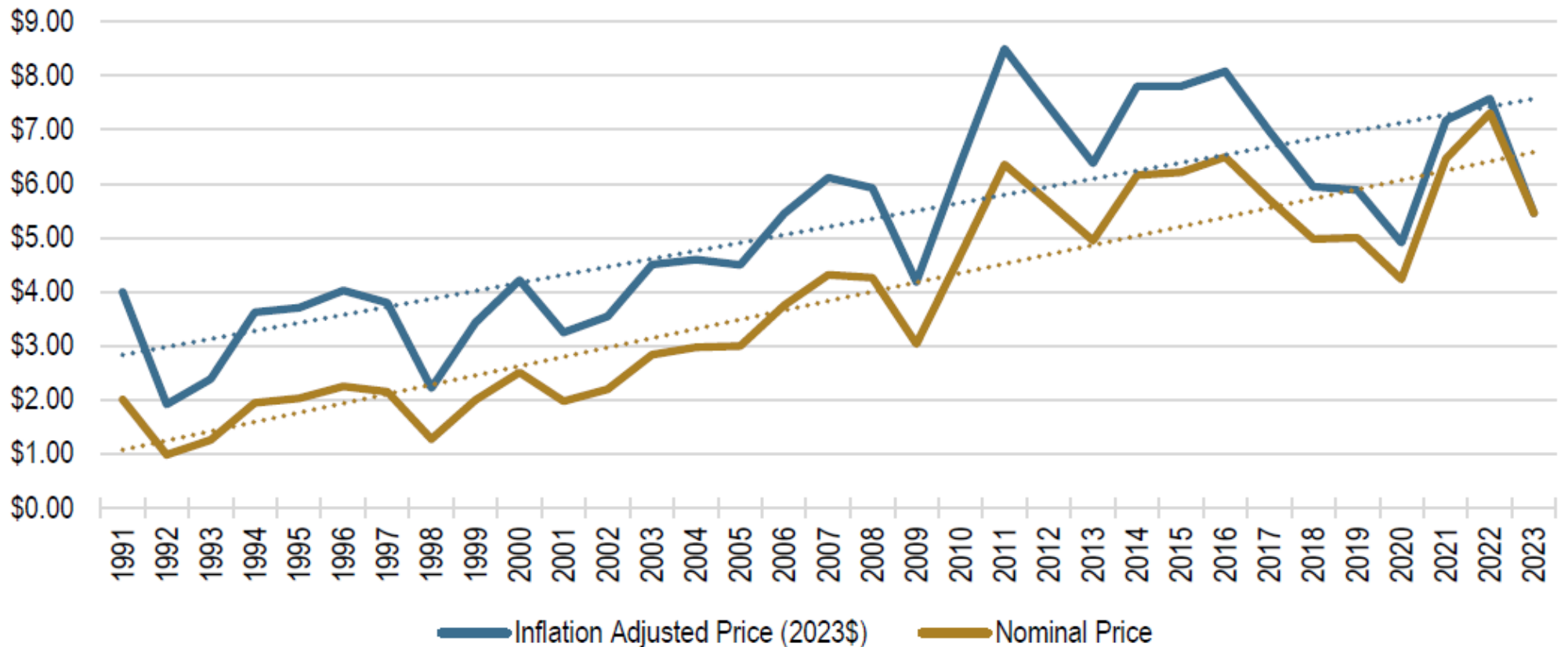
Figure 61. Ex-Vessel Revenue in the Halibut IFQ Fishery (p. 92)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Participation and revenue in the halibut fishery

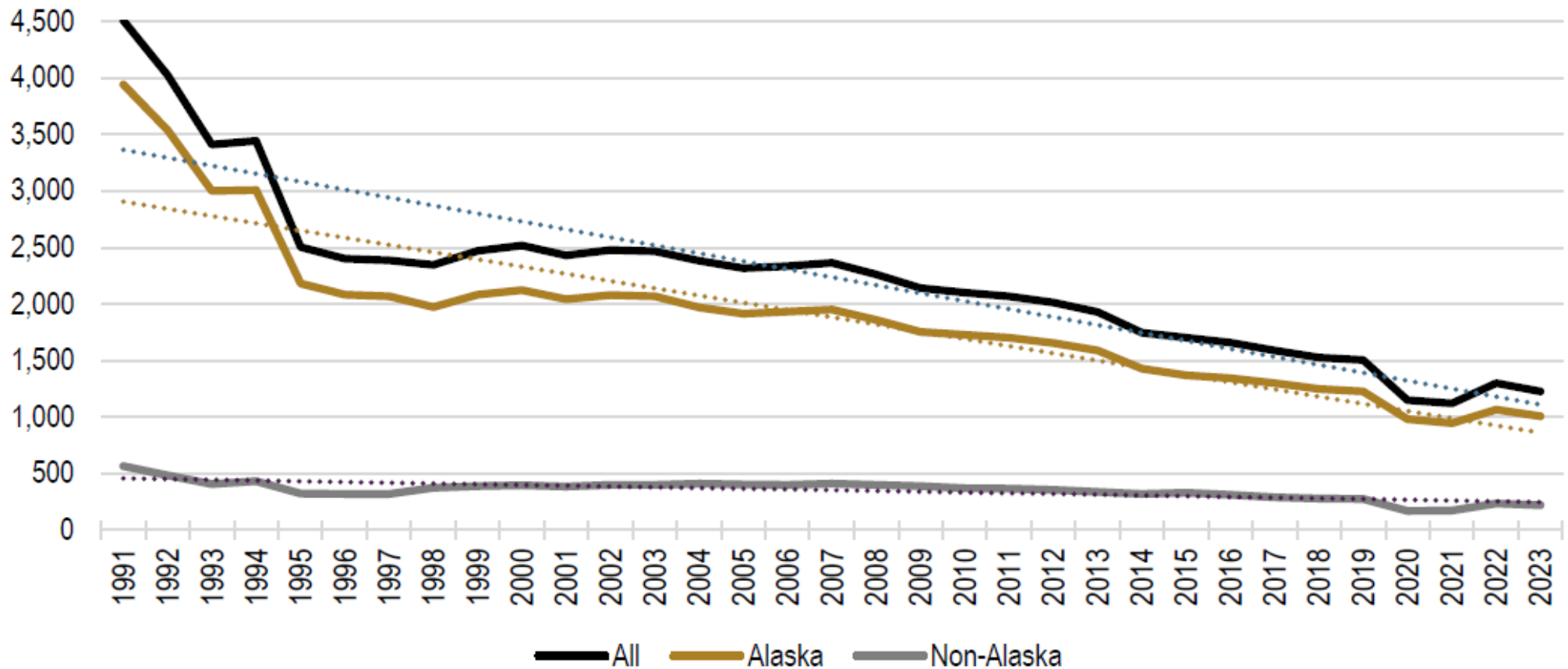
Figure 62. Ex-Vessel Prices (\$ per Round-Weight Pound) in the Halibut IFQ Fishery (p. 92)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Participation and revenue in the halibut fishery

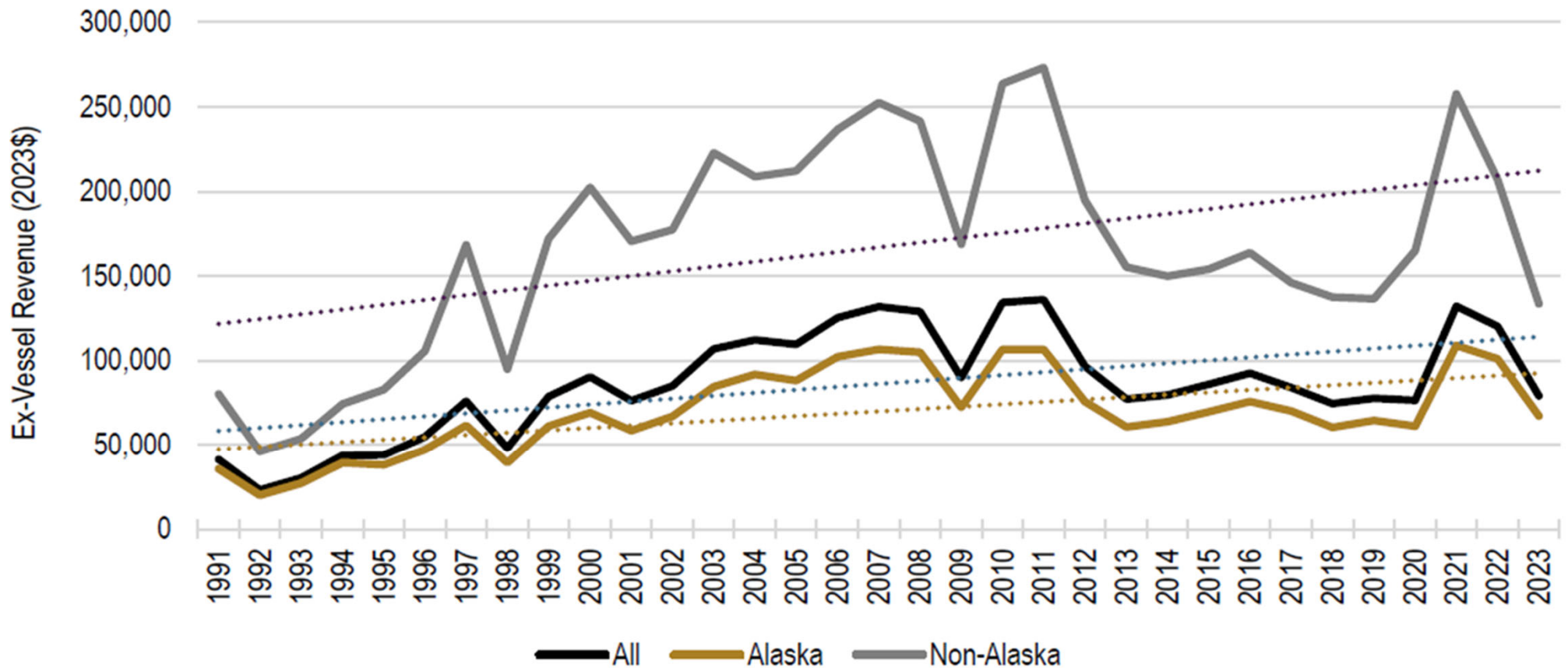
Figure 63. Number of Active Permit Holders in the Halibut IFQ Fishery—Alaska and Non-Alaska Residents (p. 93)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Participation and revenue in the halibut fishery

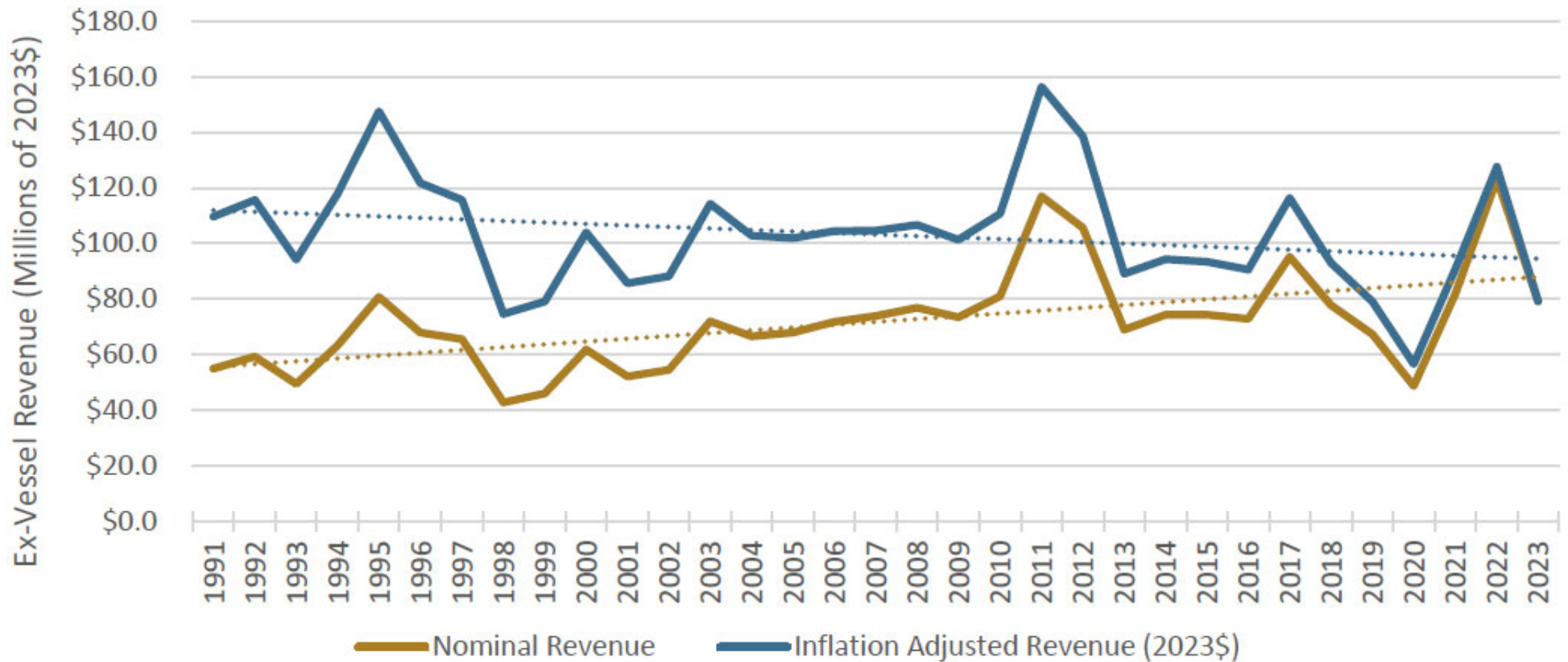
Figure 65. Average Adjusted Revenue Per Person in the Halibut IFQ Fishery—All Participants, Alaska Residents, and Non-Alaskans (p. 94)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Participation & revenue in the sablefish fishery

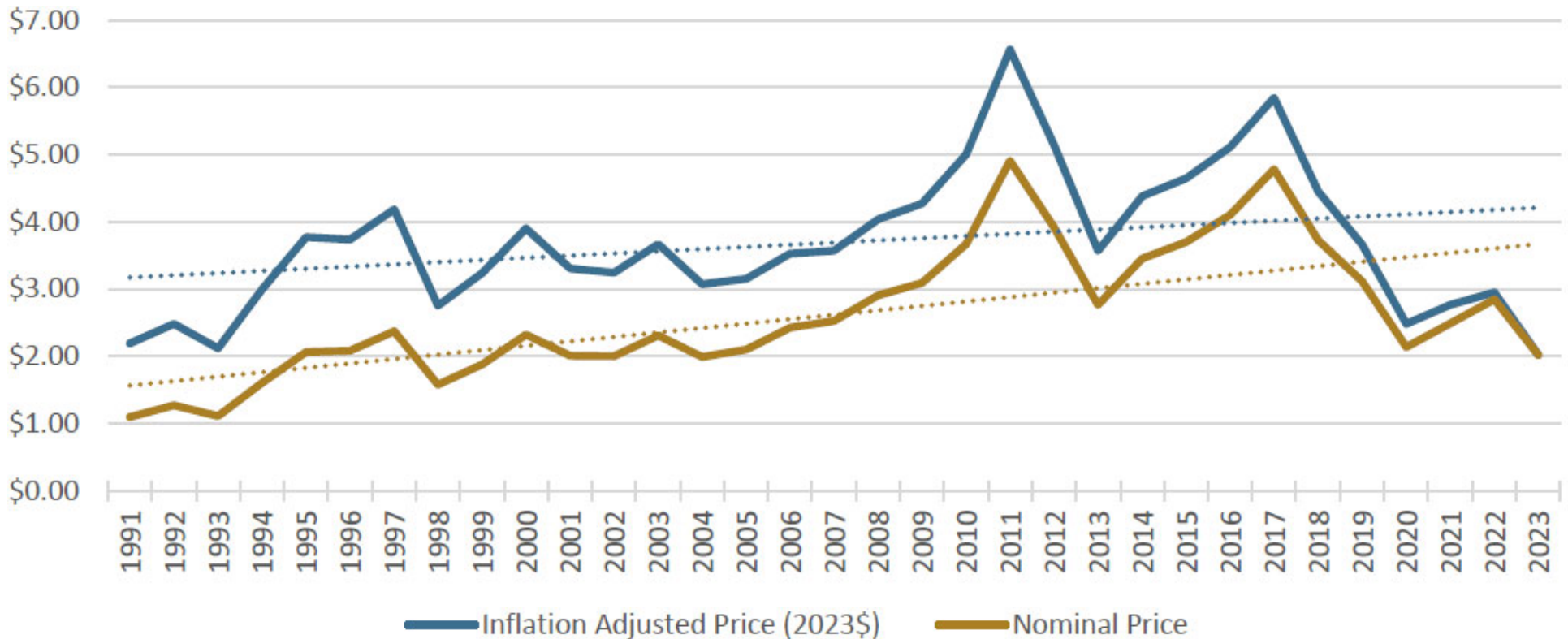
Figure 70. Ex-Vessel Revenue in the Sablefish IFQ Fishery (p. 97)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Participation & revenue in the sablefish fishery

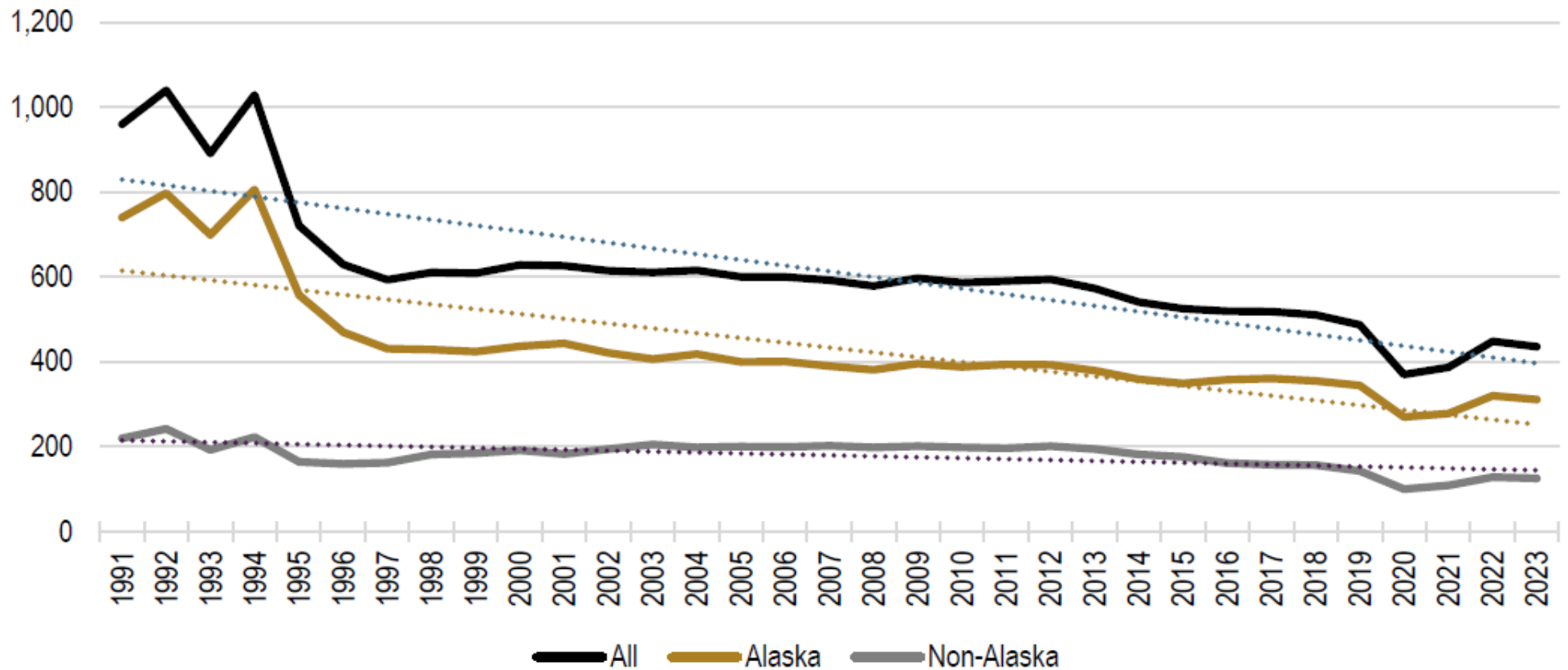
Figure 71. Ex-Vessel Prices (\$ per Round-Weight Pound) in the Sablefish IFQ Fishery (p. 98)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Participation & revenue in the sablefish fishery

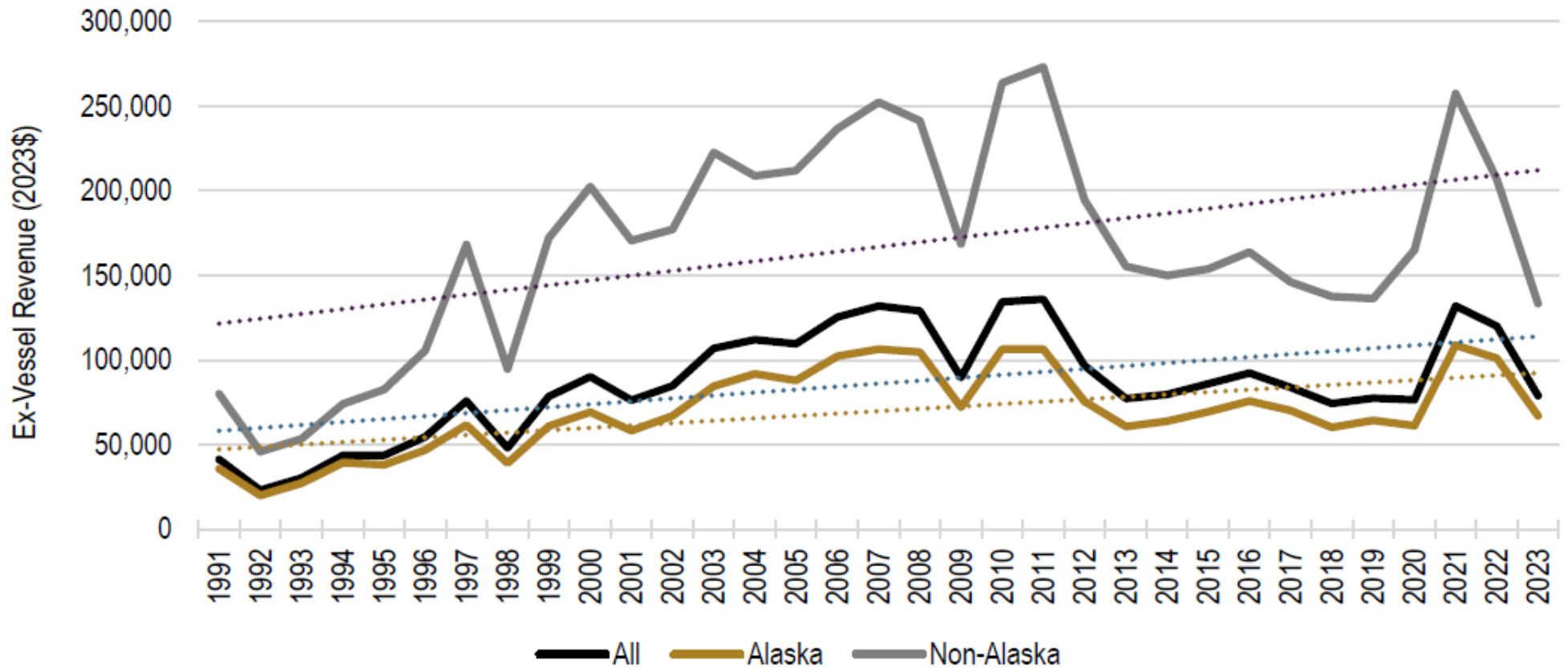
Figure 72. Number of Active Permit Holders in the Halibut IFQ Fishery—Alaska and Non-Alaska Residents (p. 99)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Participation & revenue in the sablefish fishery

Figure 74. Average Revenue Per Person in the Sablefish IFQ Fishery—All Participants, Alaska Residents, and Non-Alaskans (p. 100)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Participation & revenue in the sablefish fishery

Error Found!!

The chart currently shown as Figure 74 on page 100 should have been associated with Figure 73 on page 99.

The chart currently shown as Figure 73 on page 99 should have been associated with Figure 74 on page 100.

Subsection 2.7: Owner-Operated Characteristics of the Fleet

- Provides information on the catcher vessel owner types (individual or non-individual entity) in two figures and two tables
 - The tables break down owner types by management areas.
- Summarizes Leasing of Class A Shares
- Summarizes Medical and Beneficiary Leases
- Summarizes Leases for Guided Angler Fish (GAF)
- Summarizes Hired Master Use

Owner Types of CVs in the IFQ Fisheries

Figure 78. Percent of CV QS Held by Entity Type in the Halibut IFQ Fishery (p.103)

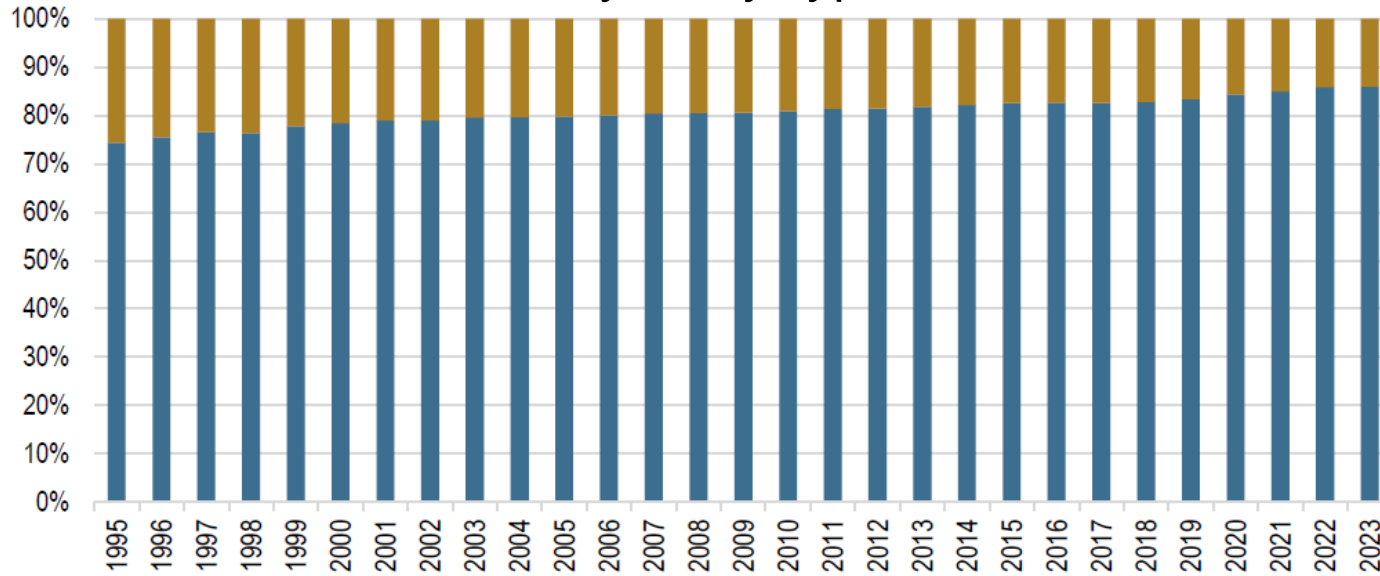
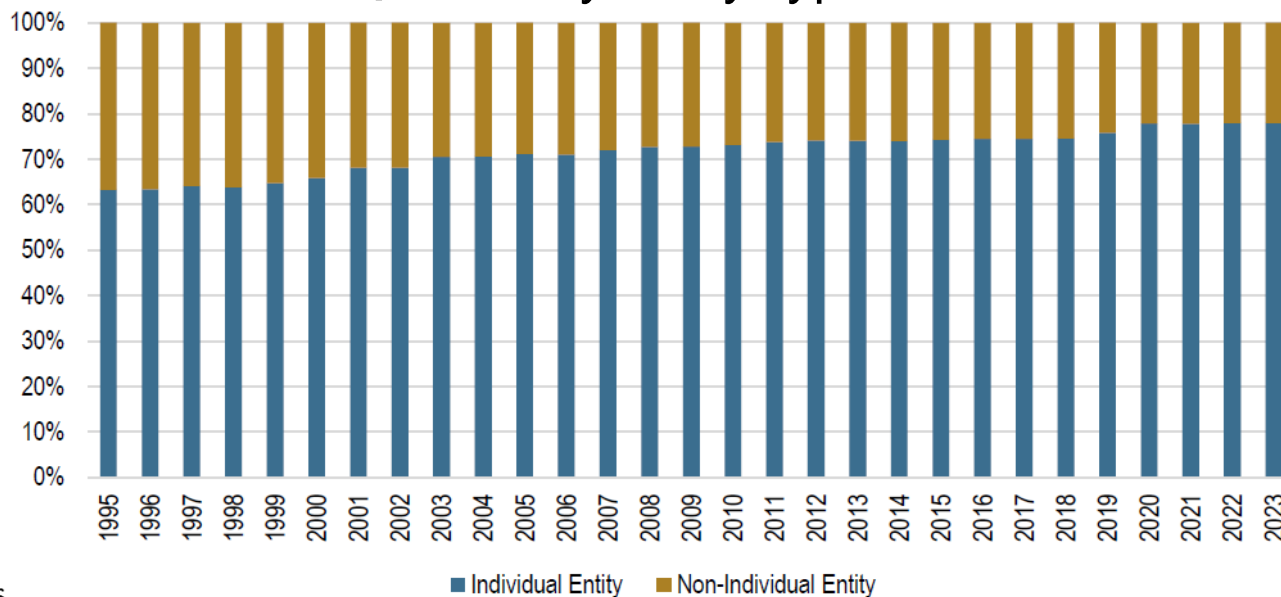


Figure 79. Percent of CV QS Held by Entity Type in the Sablefish IFQ Fishery (p.103)



Hired Master Use in the Halibut CV Fishery

Table 40. Halibut IFQ Fishery Catcher Vessel Hired Master Harvests of IFQ by Regulatory Area (p.118)

Year	2C	3A	3B	4A	4B	4C/4D	All
2014	1.20%	38.30%	49.10%	43.60%	52.10%	45.10%	32.60%
2015	1.30%	36.60%	45.80%	40.30%	43.80%	40.10%	30.20%
2016	1.20%	36.80%	45.50%	41.40%	42.30%	36.50%	29.40%
2017	1.10%	35.70%	44.00%	37.60%	45.80%	41.30%	29.20%
2018	1.10%	37%	45.20%	39.80%	45.50%	38.70%	30.50%
2019	0.90%	34.40%	45.20%	38.90%	49.50%	35.80%	29.10%
2020	0.90%	32.90%	41.70%	38.80%	48.10%	30.10%	27.60%
2021	0.30%	31.20%	39%	34.80%	44.50%	29.80%	26.20%
2022	0.70%	31.30%	37.70%	34.70%	42.20%	27.50%	26.40%
2023	0.50%	30.10%	35.40%	27.30%	53.20%	26.30%	24.70%

Source: NPFMC (2024)

Hired Master Use in the Sablefish CV Fishery

Table 41. Sablefish IFQ Fishery Catcher Vessel Hired Master Harvests of IFQ by Regulatory Area (p.119)

Year	AI	BS	CG	SE	WG	WY	All
2014	32.50%	19.70%	64.80%	9%	56.90%	64.40%	44.70%
2015	7.80%	21.30%	64.80%	9.40%	48.90%	63.10%	43.30%
2016	4.90%	38.60%	63.40%	9%	47.70%	64.50%	42.70%
2017	6.60%	30.20%	57.10%	8%	47.70%	61.10%	39.40%
2018	7.10%	8.10%	53.00%	9%	46.10%	63.50%	37.10%
2019	4.00%	30.10%	50.10%	8.70%	47%	65.70%	36.50%
2020	7.10%	9.50%	54.30%	9.10%	41.80%	65.10%	37.50%
2021	0.70%	16.80%	45.30%	9%	41.80%	61.60%	34.70%
2022	4.70%	19.30%	46.40%	8.60%	41.00%	62.10%	34%
2023	2.60%	10.50%	45.40%	8.30%	31.10%	59.10%	31%

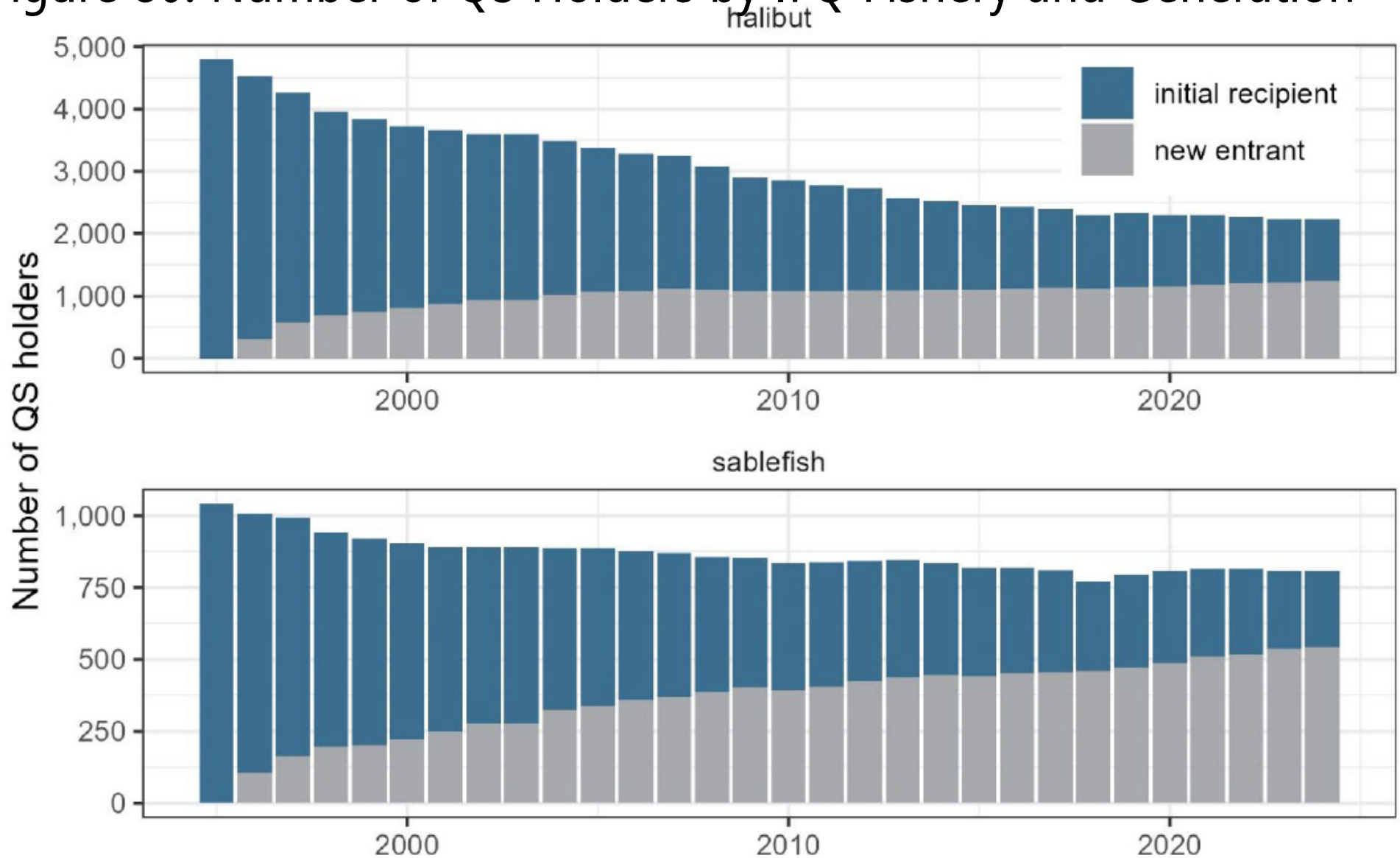
Source: NPFMC (2024)

Subsection 2.8: New Entry Opportunities and Transferability of QS and IFQ

- Summarize Trends of Participation by Initial QS Recipients and New Entrants
- Estimates the Rate of New Entry
- Summarizes Average Holdings of New Entrants
- Summarize data on QS Prices and Transfers
- Loan Programs

Initial QS Recipients and New Entrants

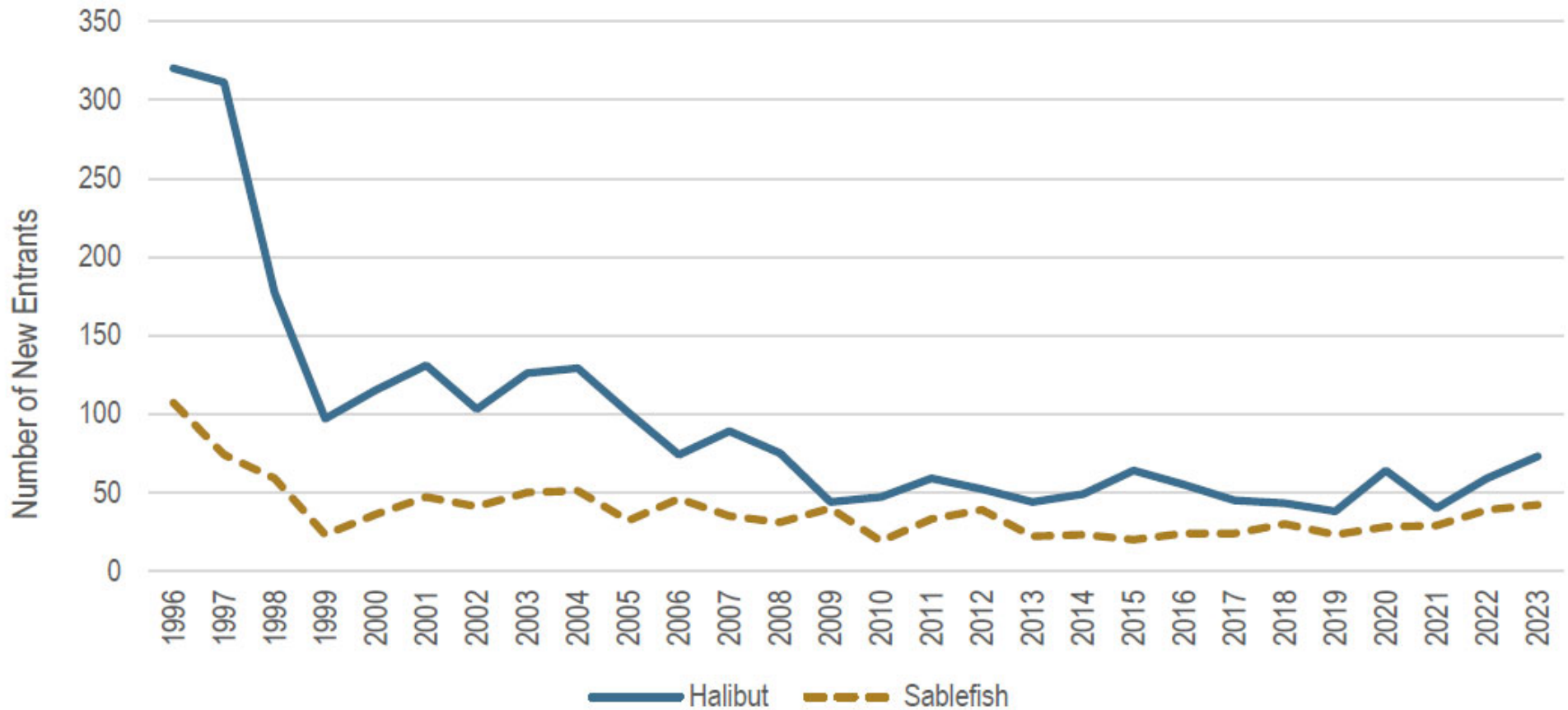
Figure 80. Number of QS Holders by IFQ Fishery and Generation



Source: Developed by Northern Economics based on data from NMFS (2024d)

Initial QS Recipients and New Entrants

Figure 82. Rate of Entry into the Halibut and Sablefish IFQ fisheries (p. 124)



Note: Rate of entry shows new entrants in the beginning of the fishing year (as opposed to the end of the fishing year, as represented in the prior review). Additionally, data from the NMFS RAM Division showed no new entrants in 2002 for either fishery. Because data in the adjacent years was twice as high as in the previous review, it is assumed that new entrants may have been misappropriated to the year of entry and these have been corrected for in the above analysis. New entrants have been distributed based on Figure 2.6-3 in the previous review.

Source: Developed by Northern Economics based on data from NMFS (2024d)

QS Prices and Transfers

Table 46. Average Halibut QS Prices and Number of Priced Transactions (p. 129)

Year	Average QS Price Per Pound (\$2023/lb)	Number of Transactions	Number of People Selling	Number of People Buying
2000-2005 Average	14.32	433.00	313.17	284.83
2006-2015 Average	25.27	270.00	190.30	161.80
2016-2023 Average	26.38	429.00	184.63	159.38

Table 47. Average Sablefish QS Prices and Number of Priced Transactions (p. 130)

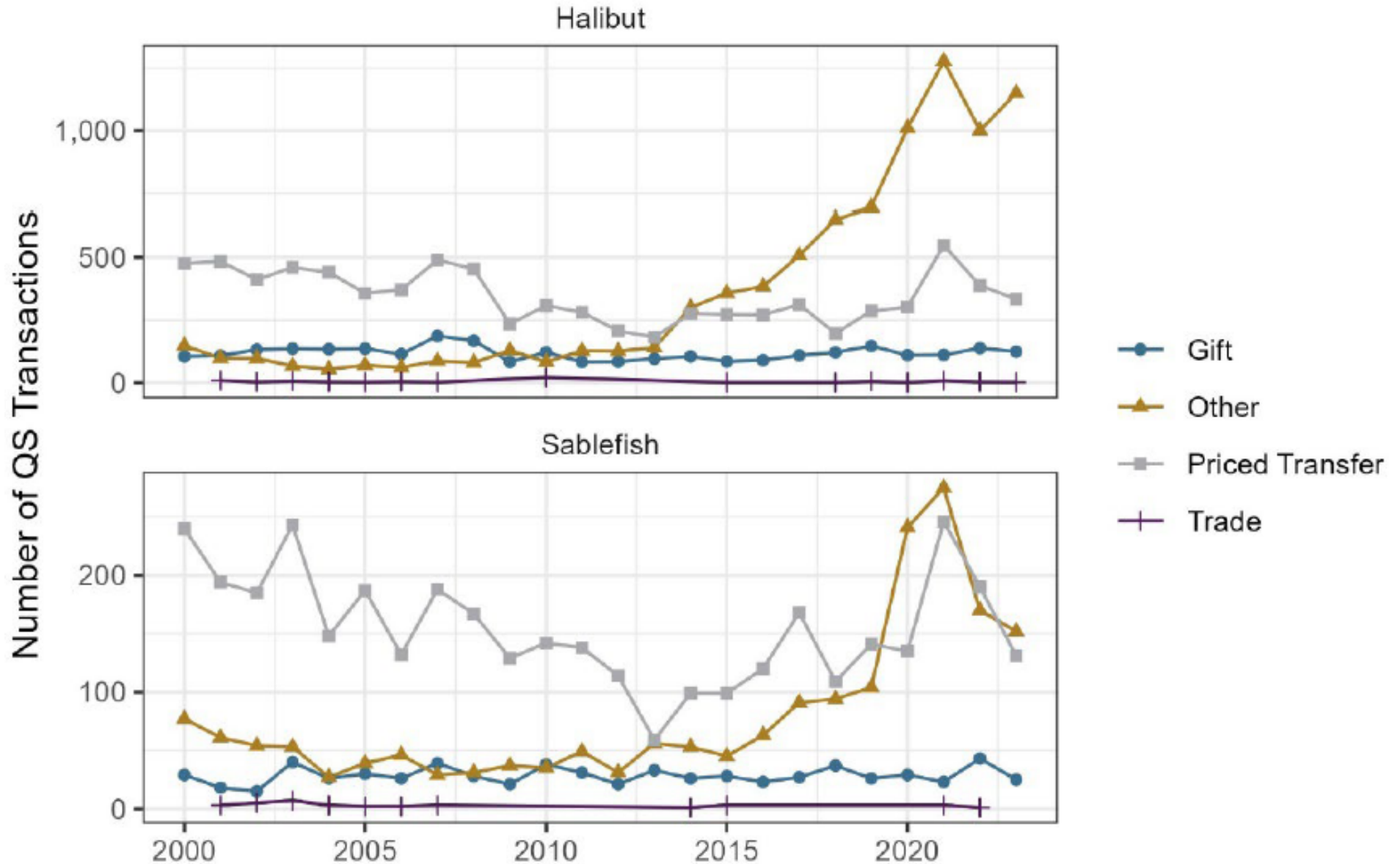
Year	Average QS Price Per Pound (\$2023/lb)	Number of Transactions	Number of People Selling	Number of People Buying
2000-2005 Average	9.90	192.17	110.17	110.33
2006-2015 Average	12.73	114.30	69.80	73.00
2016-2023 Average	13.28	87.50	58.38	56.25

Note: Data prior to 2000 were not available. Data represent weighted means and have been adjusted for inflation and are shown in terms of real 2023 dollars.

Source: Developed by Northern Economics based on data from AKFIN (2024)

QS Prices and Transfers

Figure 85. Number of QS Transfers by Type (p. 132)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Subsection 2.9: Community Impacts

- Makes reference to the Community Profiles in Appendix 1
- Provides a review of recent studies of community impacts
- Summarizes QS holdings by Alaska and Non-Alaska Regions
- Summarizes QS holdings by highest ranked communities
- Summarizes QS holdings of CQE Eligible communitiesM



**Appendix 1:
Community and Regional Profiles**



Appendix 1: Regional Profiles by Page

Community	Page	Community	Page
Anchorage Municipality	8	Northwest and Interior Region	24
Chugach Census Area	10	Petersburg Borough	26
Hoonah-Angoon Census Area	12	Prince of Wales-Hyder Census Area	28
Juneau City and Bureau	14	Sitka City and Borough	30
Kenai Peninsula Borough	16	Northern Southeast Region	32
Ketchikan Gateway Borough	18	Southwest Region	34
Kodiak Island Borough	20	Wrangell City and Borough	36
Matanuska-Susitna Borough	22		

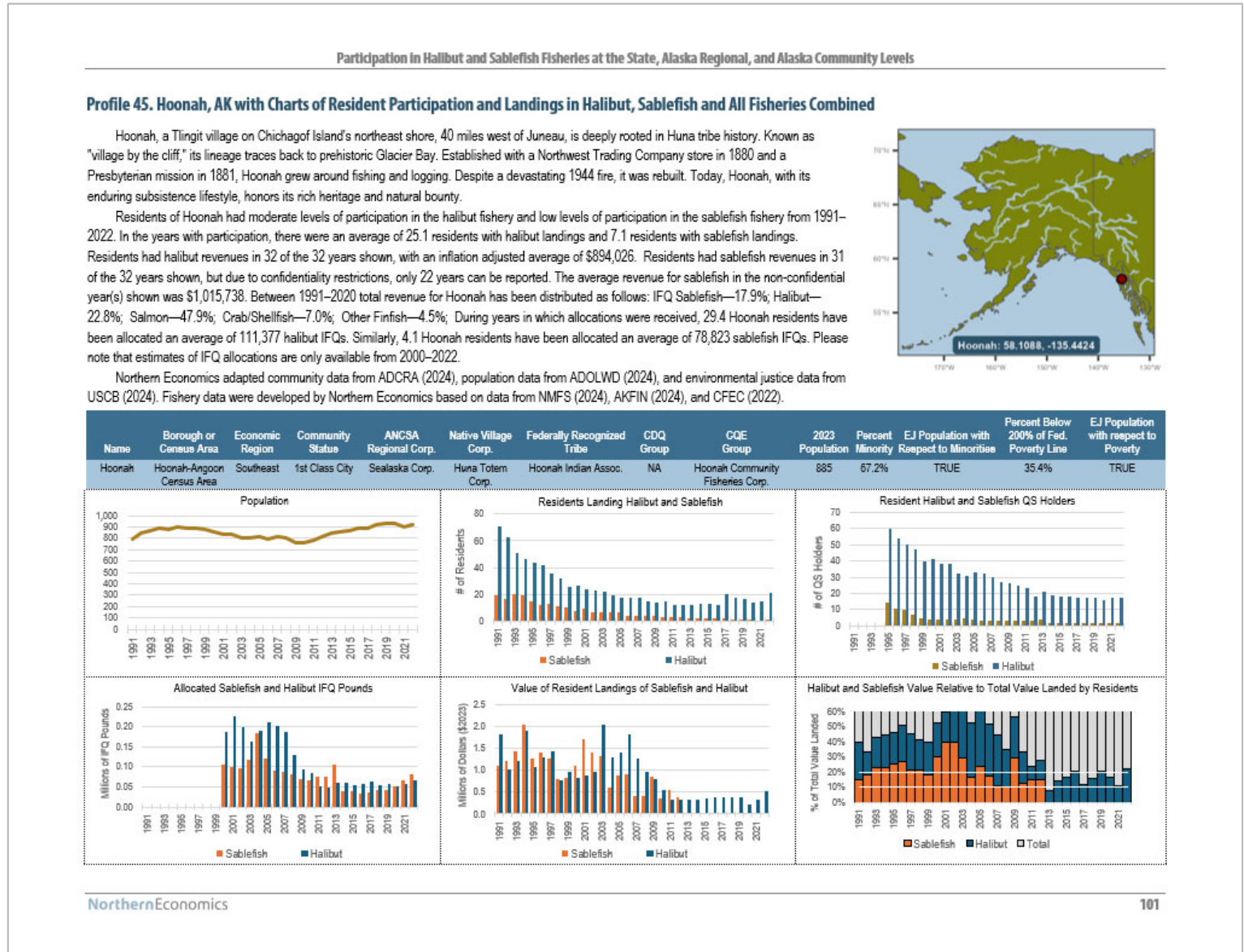
Appendix 1: Community Profiles by Page

Community	Page	Community	Page	Community	Page	Community	Page
Adak	43	Elfin Cove	85	Metlakatla	127	Sand Point	167
Akutan	45	Fairbanks	87	Naknek	129	City of Seldovia and Seldovia Village	169
Anchor Point	47	False Pass	89	Nikiski	131	Seward	171
Anchorage	49	Fritz Creek	91	Nikolaevsk	133	Sitka	173
Anderson	51	Gustavus	93	Ninilchik	135	Soldotna	175
Angoon	53	Haines	95	North Pole	137	South Naknek	177
Atka	55	Halibut Cove	97	Old Harbor	139	Sterling	179
Bethel	57	Homer	99	Ouzinkie	141	Tenakee Springs	181
Chenega	59	Hoonah	101	Palmer	143	Thorne Bay	183
Chignik	61	Hydaburg	103	Pelican	145	Togiak	185
Chignik Lagoon	63	Hyder	105	Perryville	147	Toksook Bay	187
Chiniak	65	Juneau	107	Petersburg	149	Unalaska	189
Chitina	67	Kake	109	Point Baker	151	Valdez	191
Clam Gulch	69	Kasilof	111	Port Alexander	153	Wasilla	193
Coffman Cove	71	Kenai	113	Port Graham	155	Whale Pass	195
Copper Center	73	Ketchikan	115	Port Lions	157	Whittier	197
Cordova	75	King Cove	117	Saint George	159	Willow	199
Craig	77	Klawock	119	Saint Mary's	161	Wrangell	201
Delta Junction	79	Kodiak	121	Saint Paul	163	Yakutat	203
Dillingham	81	Larsen Bay	123	Salcha	165		
Edna Bay	83	Mekoryuk	125				

Community Profiles

Each profile includes:

- a brief narrative on the community and its participation in the sablefish and halibut fisheries
- a table with regional and EJ information
- a series of six figures providing detailed fishery participation data



Summary Data Table

The second page of each profile provides a summary data table of resident population participation in the fisheries from 1991 to 2022.

Table 45. Summary Data of Hoonah Resident Participation in Halibut, Sablefish, & All Fisheries Combined, 1991–2022

Year	Population	Persons Landing IFQ Halibut	Halibut QS Holders	Allocated Halibut IFQ Pounds	Halibut Landed Value (\$2023 Millions)	Persons Landing IFQ Sablefish	Sablefish QS Holders	Allocated Sablefish IFQ Pounds	Sablefish Landed Value (\$2023 Millions)	Persons Landing Any Species	Landed Value: All Species (\$2023 Millions)	Sablefish & Halibut % of Total Value
1991	796	71	NA	NA	\$1.82	19	NA	NA	\$1.12	108	\$7.30	40.2%
1992	843	63	NA	NA	\$1.02	17	NA	NA	\$1.22	100	\$6.66	33.6%
1993	871	51	NA	NA	\$1.22	20	NA	NA	\$1.45	88	\$6.22	43.0%
1994	885	46	NA	NA	\$1.92	19	NA	NA	\$2.04	81	\$8.86	44.7%
1995	877	44	60	NA	\$1.08	15	14	NA	\$1.28	75	\$5.07	46.4%
1996	902	42	54	NA	\$1.29	12	11	NA	\$1.40	80	\$5.24	51.2%
1997	890	36	50	NA	\$1.43	13	10	NA	\$1.28	77	\$5.91	45.8%
2000	800	13	1	60,475	\$0.33	2	2	38,810	Conf.	44	\$2.54	0.0%
2015	863	13	18	54,194	\$0.35	2	2	33,525	Conf.	47	\$2.29	0.0%
2016	893	12	18	56,519	\$0.39	2	2	37,704	Conf.	44	\$2.09	0.0%
2017	887	20	17	64,147	\$0.38	2	2	43,028	Conf.	49	\$3.56	0.0%
2018	921	18	17	55,410	\$0.38	1	2	43,173	Conf.	45	\$2.48	0.0%
2019	935	17	17	56,848	\$0.39	1	2	52,996	Conf.	43	\$1.95	0.0%
2020	931	14	16	52,391	\$0.23	1	2	66,250	Conf.	38	\$1.48	0.0%
2021	904	15	17	57,776	\$0.32	0	2	81,968	Conf.	47	\$2.83	11.2%
2022	917	21	17	67,549	\$0.54	1	2		Conf.	41	\$2.45	0.0%

Subsection 2.9: Community Impacts

- Makes reference to the Community Profiles in Appendix 1
- Provides a review of recent studies of community impacts
- Summarizes QS holdings by Alaska and Non-Alaska Regions
- Summarizes QS holdings by highest ranked communities
- Summarizes QS holdings of CQE Eligible communities
- Environmental Justice Issues

QS Holdings by Region of Residence

Table 53. Halibut QS Ownership by Area of Residence in Millions of QS (p. 142)

Year	Alaska Regions						States				Total
	AI	BS	CG	INT	SE	WG	AK	OR	WA	Other	
2013	0.5	5.5	103.1	2.2	88.5	3.9	203.7	22.7	82.5	22.7	331.6
2014	1.1	6.4	100.5	2.2	89.6	3.9	203.7	23.9	83.5	20.5	331.6
2015	1.1	6.4	99.0	2.7	90.8	4.0	204.0	23.8	84.4	19.2	331.4
2016	1.0	6.3	98.0	2.3	91.6	3.8	203.0	23.3	85.2	19.8	331.3
2017	1.0	6.3	101.9	2.7	91.3	4.0	207.2	23.6	82.1	18.4	331.3
2018	1.1	6.5	97.6	2.8	93.2	4.0	205.1	23.7	83.0	19.5	331.3
2019	1.6	5.9	97.7	2.7	97.6	3.8	209.4	24.1	78.7	19.1	331.3
2020	1.5	4.5	97.4	2.9	97.1	3.5	206.9	24.6	78.1	21.6	331.3
2021	1.7	5.9	97.8	2.9	99.2	3.6	211.2	23.3	77.1	19.7	331.3
2022	1.7	5.9	96.3	3.1	100.3	3.7	211.0	22.8	75.8	21.5	331.1
2023	1.7	5.5	100.3	3.0	100.4	3.9	214.8	22.2	72.8	21.2	331.0

Note: AI=Aleutian Islands; BS=Bering Sea; CG=Central Gulf; INT=Interior; SE=Southeast; WG=Western Gulf; AK=Alaska; OR=Oregon; WA=Washington

Source: NPFMC (2024), NPFMC (2023)

QS Holdings by Region of Residence

Table 54. Sablefish QS Ownership by Area of Residence in Millions of QS (p. 143)

Year	Alaska Regions						States				Total
	AI	BS	CG	INT	SE	WG	AK	OR	WA	Other	
2013	0.6	4.2	52.0	0.5	78.4	0.1	135.7	11.6	148.9	21.5	317.7
2014	0.7	4.3	51.0	0.5	78.7	0.1	135.3	12.2	147.4	22.9	317.8
2015	0.2	4.6	52.1	0.5	77.7	0	135.1	11.6	147.3	23.8	317.8
2016	0.2	5.2	52.9	0.6	78.9	0	137.8	10.4	145.4	24.2	317.7
2017	0.3	5.1	60.4	0.6	77.0	0	143.5	10.4	142.3	21.6	317.7
2018	1.1	8.1	52.6	0.7	78.6	0	141.1	10.4	142.5	23.7	317.7
2019	1.1	8.1	51.2	1.0	81.1	0	142.4	10.9	138.8	25.6	317.7
2020	0.8	5.2	54.3	1.0	81.1	0	142.4	16.6	131.2	27.6	317.7
2021	1.2	8.3	60.6	0.9	81.7	0.1	152.8	17.0	122.4	25.5	317.7
2022	2.1	8.1	59.2	1.5	82.3	0.1	153.3	21.2	118.6	24.8	317.7
2023	2.1	8.2	59.1	1.5	82.5	0.1	153.5	18.8	117.4	28.1	317.8

Note: AI=Aleutian Islands; BS=Bering Sea; CG=Central Gulf; INT=Interior; SE=Southeast; WG=Western Gulf; AK=Alaska; OR=Oregon; WA=Washington

Source: NPFMC (2024), NPFMC (2023)

QS Holdings in communities with highest initial QS Allocations

Table 57. QS Holdings in the Halibut Fishery by Top Communities (p. 145)

Community	1995 Rank	1995 (% of Total)	1999 Rank	1999 (% of Total)	Percent Change (1995-1999)	2023 Rank	2023 (% of Total)	Percent Change (1995-2023)
Kodiak	1	17.0%	1	17.3%	1.8%	1	11.7%	-31.5%
Homer	2	7.5%	3	6.9%	-9.3%	3	7.1%	-6.0%
Seattle, WA	3	7.1%	4	6.5%	-9.2%	5	4.6%	-36.0%
Petersburg	4	6.5%	2	8.4%	22.7%	2	8.7%	34.4%
Sitka	5	5.5%	5	5.6%	1.7%	4	5.6%	1.7%
Anchorage	6	3.4%	7	2.8%	-20.1%	7	3.5%	2.0%
Juneau	7	2.9%	6	3.9%	26.4%	6	3.9%	37.3%
Newport, OR	8	1.8%	9	1.7%	-1.8%	93	0.2%	-91.4%
Edmonds, WA	9	1.7%	13	1.5%	-12.7%	16	1.1%	-31.4%
Ketchikan	10	1.4%	8	1.9%	22.5%	11	1.4%	-4.4%
Cordova	21	0.8%	12	1.5%	44.6%	8	3.5%	317.3%
Wrangell*	11	1.4%	10	1.7%	15.0%	9	1.9%	35.4%
Astoria, OR	28	0.7%	22	0.8%	6.7%	10	1.7%	138.1%
Total		57.9%		60.6%			54.8%	

Note: * The data for Wrangell includes data for Meyers Chuck, which was annexed into the City of Wrangell in 2008.

Source: Developed by Northern Economics based on data from AKFIN (2024)

QS Holdings in communities with highest initial QS Allocations

Table 58. QS Holdings in the Sablefish Fishery by Top Communities (p. 146)

Community	1995 Rank	1995 (% of Total)	1999 Rank	1999 (% of Total)	Percent Change (1995-1999)	2023 Rank	2023 (% of Total)	Percent Change (1995-2023)
Seattle, WA	1	27.1%	1	23.4%	-13.5%	1	12.7%	-53.3%
Sitka	2	9.5%	2	9.9%	4.2%	2	10.0%	4.8%
Petersburg	3	8.3%	3	9.6%	15.7%	3	8.3%	-0.5%
Kodiak	4	5.2%	4	6.5%	25.6%	4	5.5%	6.0%
Homer	5	4.4%	5	4.5%	2.0%	7	3.5%	-21.2%
Bainbridge Island, WA	6	2.5%	7	2.6%	2.1%	20	1.0%	-59.7%
Edmonds, WA	7	2.3%	8	2.6%	10.8%	6	3.8%	61.8%
Fort Bragg, CA	8	2.2%	9	1.7%	-20.3%	35	0.6%	-70.7%
Juneau	9	2.2%	6	2.9%	32.1%	9	2.6%	19.7%
Anchorage	10	1.8%	15	1.2%	-33.3%	5	5.4%	204.1%
Seward	16	1.1%	11	1.4%	33.4%	8	3.0%	181.6%
Cordova	42	0.3%	47	0.3%	-0.4%	10	2.1%	527.0%
Anacortes, WA	15	1.1%	10	1.5%	38.3%	13	1.3%	23.7%
Total		68.0%		68.2%			59.7%	

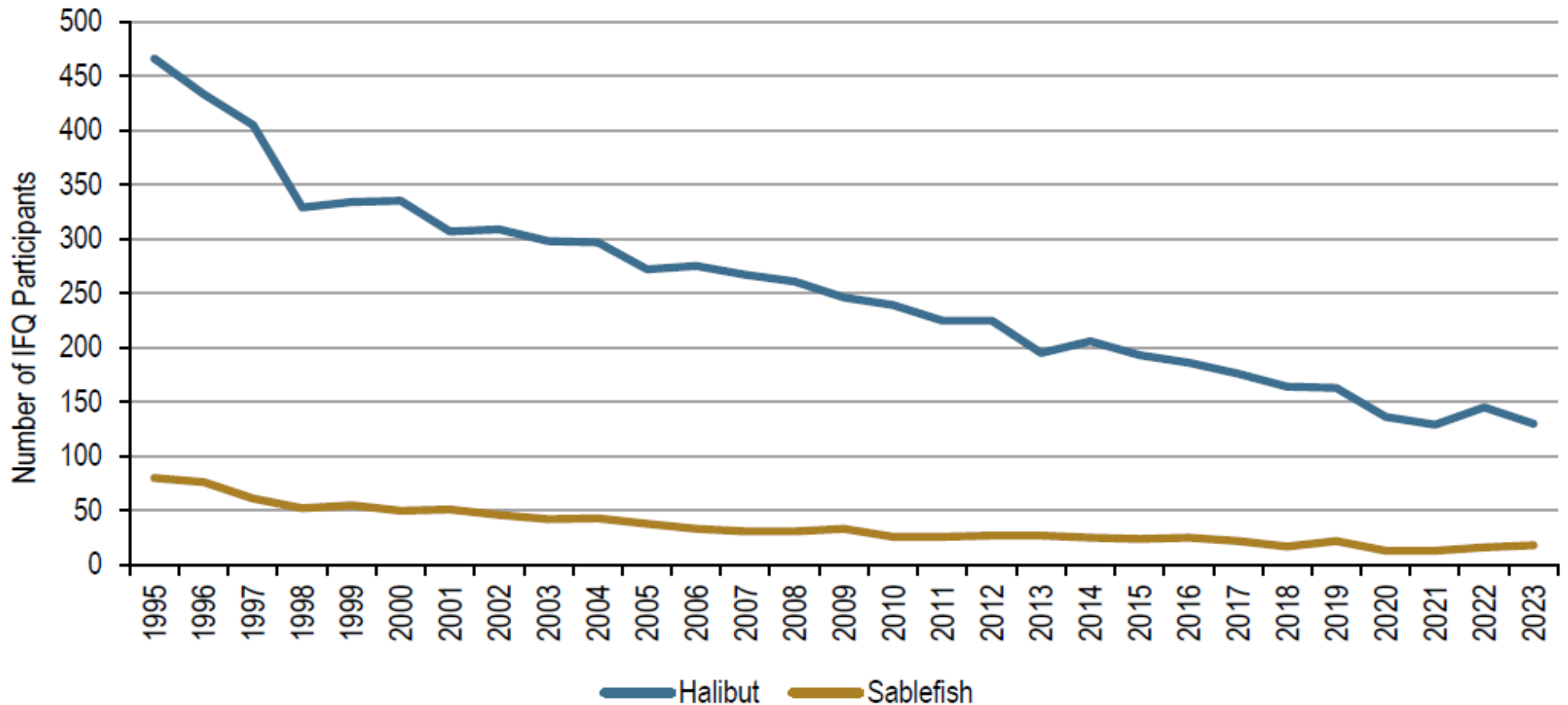
Source: Developed by Northern Economics based on data from NMFS (2024d)

QS Holdings in Small Rural Communities (p. 146)

While some communities have benefited from the IFQ Program in terms of increased landings, the general pattern of halibut and sablefish QS ownership since program inception entails decreasing ownership in small, rural communities, with ownership consolidating towards urban centers and to larger rural communities with superior logistic resources (Kotlarov 2019).

Participation in CQE Eligible Communities

Figure 89. Participation in the Halibut and Sablefish IFQ Fisheries by All Residents of GOA CQE-Eligible Communities (p. 148)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Errors Found in Table 60 (p. 154)

Table 60. QS Holdings in the Halibut and Sablefish IFQ Fisheries by CQEs (corrected)

Year	Halibut						Sablefish	
	Adak: Adak Community Development Corporation	Hoonah: Hoonah Community Fisheries Corporation	Perryville: Perryville CQE, Inc.	Old Harbor: Cape Barnabas, Inc.	Ouzinkie: Community Holding Corporation for Ouzinkie	Thorne Bay: Thorn Bay Fisheries Association	Halibut Total	Adak: Adak Community Development Corporation
2007				151,234			151,234	
2008				151,234			151,234	
2009				151,234			151,234	
2010				151,234			151,234	
2011				151,234			151,234	
2012				151,234	106,488		257,722	
2013				151,234	106,488		257,722	
2014				151,234	258,724		409,958	
2015	615,956			151,234	258,724		1,025,914	102,230
2016	615,956			194,596	281,593		1,092,145	102,230
2017	678,609			194,596	281,593		1,154,798	102,230
2018	678,609	114,232		194,596	440,668		1,428,105	221,544
2019	678,609	114,232	13,072	194,596	440,668		1,441,177	720,570
2020	1,196,304	114,232	13,072	194,596	440,668		1,958,872	720,570
2021	1,196,304	114,232	13,072	194,596	451,644		1,969,848	720,570
2022	1,369,350	114,232	134,072	194,596	451,644		2,263,894	1,133,232
2023	1,369,350	119,352	148,710	337,914	783,109	8,904	2,767,339	1,976,539

Note: Data from NMFS (2024b) reflect holdings as of the last day of the year (i.e. 12/31). In this review, the analysts are reporting data as of the first day of the year. Thus data reported by NMFS as 2006 are shown in this table as 2007.

Environment Justice Issues

Table 62. QS Holdings in the Halibut and Sablefish IFQ Fisheries by Residents of Communities with Tribes and Concentrations of Minority and Low-income Populations (p. 157)

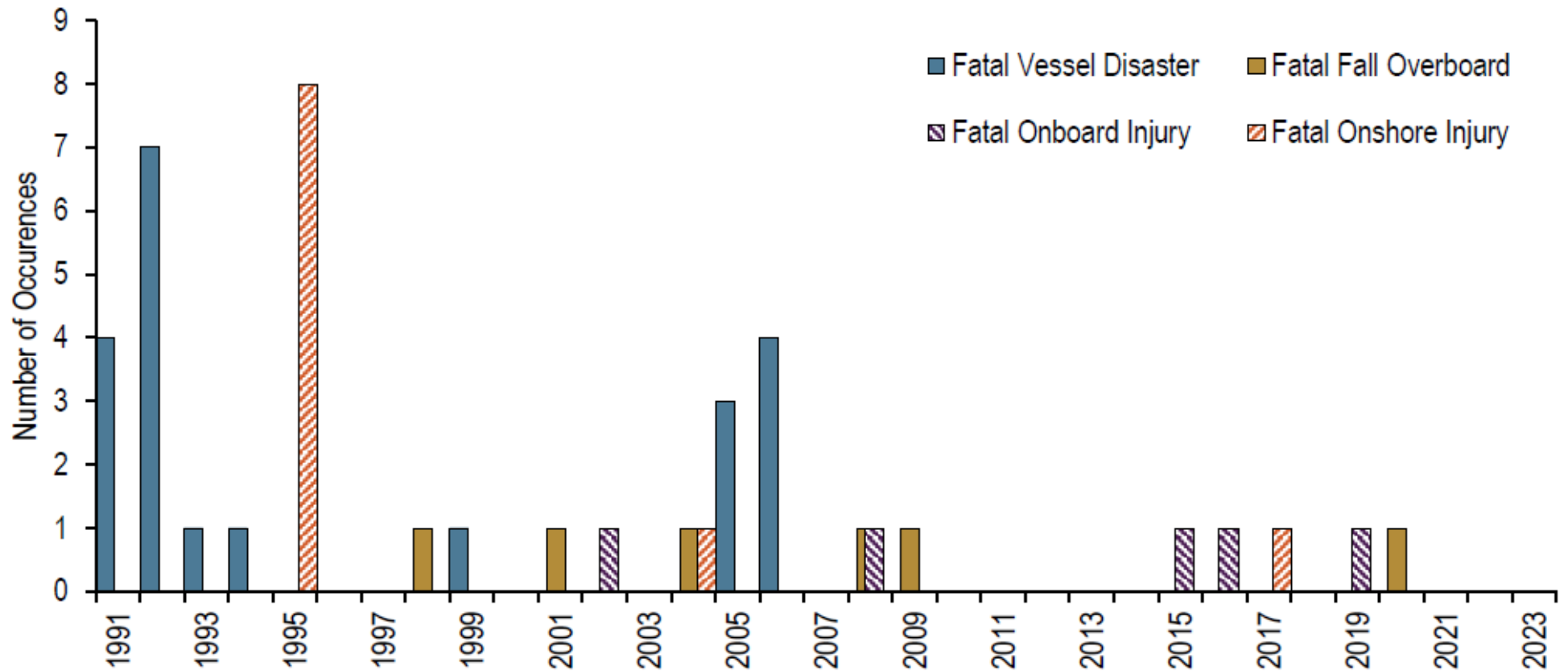
	Halibut						Sablefish				
	Number of Communities	Initial Issuance (% of Total)	1999 (% of Total)	Percent Change (1995-1999)	2023 (% of Total)	Percent Change (1995-2023)	Initial Issuance (% of Total)	1999 (% of Total)	Percent Change (1995-1999)	2023 (% of Total)	Percent Change (1995-2023)
EJ Population (Tribal)	74	43.0%	45.4%	5.7%	41.2%	-4.2%	29.2%	32.1%	9.9%	31.2%	6.9%
EJ Population (Minority)	86	41.4%	42.6%	3.0%	41.9%	1.1%	21.1%	22.5%	6.6%	30.2%	43.3%
EJ Population (Low-Income)	87	39.3%	37.4%	-4.7%	32.0%	-18.4%	15.5%	14.6%	-5.6%	13.1%	-15.3%
EJ Population (Minority and Low-Income)	66	28.2%	27.4%	-2.7%	21.9%	-22.2%	9.3%	9.0%	-3.4%	8.3%	-11.5%
All Alaska Communities	129	63.0%	63.8%	1.4%	63.7%	1.1%	40.0%	42.2%	5.8%	48.3%	21.9%

Note: The term EJ (environmental justice) is used rather than EEJ (equity and environmental justice) when referring to the populations listed in the table. As defined by Executive Order (EO) 12898, this is the applicable term when referring to minority and low-income populations. Communities with tribes and concentrations of minority and low-income populations are identified in the community profiles presented in Appendix 1

Source: Developed by Northern Economics based on data from AKFIN (2024)

Subsection 2.10: Fishing Vessel Safety

Figure 92. Fatalities At Sea in the Halibut and Sablefish Fishery (p. 159)



Source: Developed by Northern Economics based on data from CFID provided by NIOSH (2024)

Subsection 2.11: Biological Management

- Deadloss from Lost of Abandoned Gear
- Bycatch Loss
- Discard Mortality

Lost or Abandoned Gear in Halibut Fishery

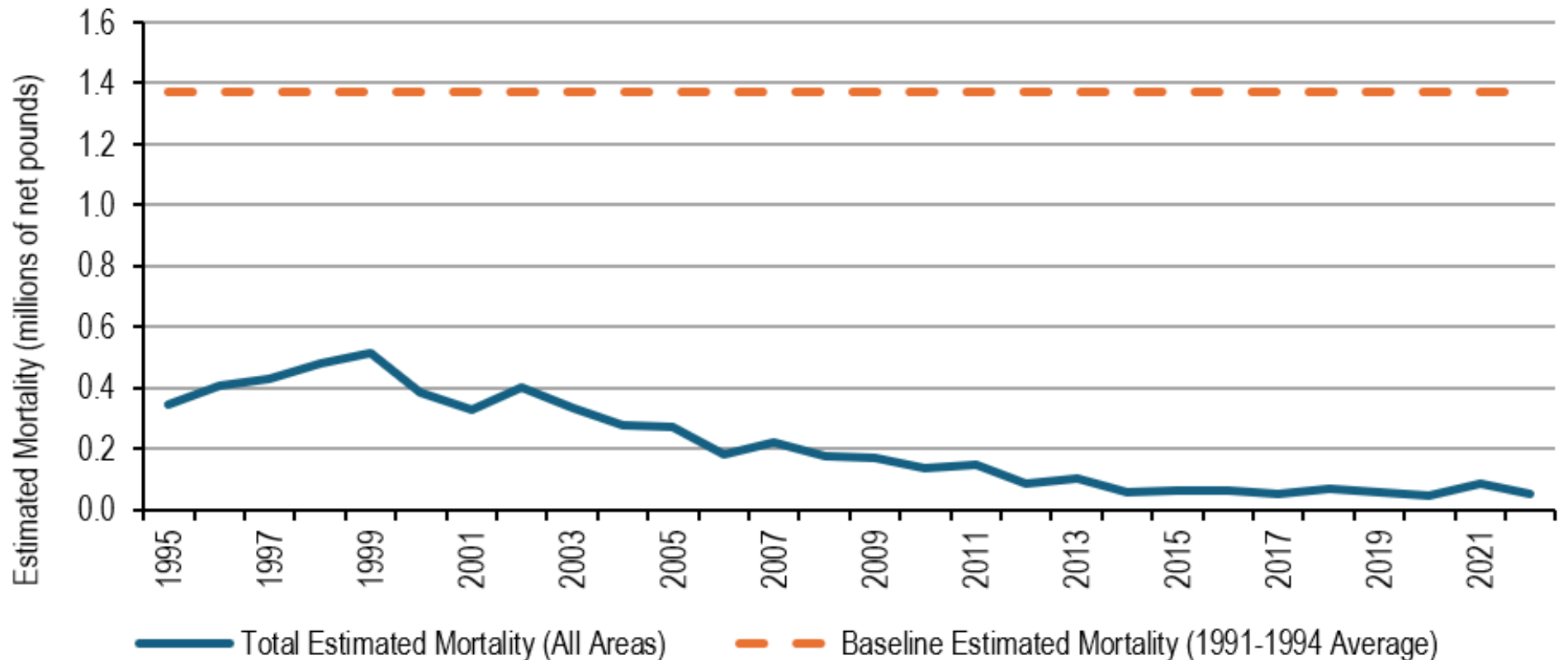
Table 63. Estimates of Pacific Halibut Mortality from Lost or Abandoned Longline Gear in the Halibut IFQ Fishery (p. 164)

Year	IPHC Regulatory Area										Total
	2A	2B	2C	3A	3B	4A	4B	4C	4D	4E	
1991	0.009	0.083	0.408	1.025	0.397	0.127	0.079	0.008	0.037	0.000	2.175
1995	0.004	0.052	0.054	0.171	0.008	0.038	0.017	0.000	0.000	0.000	0.344
2000	0.007	0.040	0.055	0.121	0.079	0.024	0.053	0.007	0.000	0.000	0.385
2005	0.007	0.042	0.047	0.096	0.032	0.033	0.013	0.002	0.000	0.000	0.271
2010	0.001	0.030	0.010	0.037	0.020	0.012	0.014	0.001	0.010	0.000	0.135
2015	0.004	0.019	0.008	0.015	0.002	0.008	0.001	0.001	0.003	0.000	0.061
2016	0.003	0.025	0.006	0.009	0.001	0.005	0.002	0.000	0.005	0.005	0.062
2017	0.004	0.012	0.011	0.009	0.004	0.006	0.002	0.001	0.000	0.000	0.049
2018	0.004	0.017	0.011	0.016	0.008	0.006	0.006	0.002	0.000	0.000	0.070
2019	0.001	0.008	0.009	0.010	0.005	0.011	0.007	0.001	0.000	0.005	0.058
2020	0.000	0.014	0.006	0.009	0.003	0.006	0.004	0.000	0.002	0.000	0.044
2021	0.001	0.033	0.014	0.020	0.007	0.008	0.001	0.002	0.002	0.000	0.088
2022	0.000	0.012	0.014	0.013	0.007	0.002	0.003	0.001	0.000	0.000	0.052

Source: IPHC (2024a)

Halibut Mortality from Lost or Abandoned Gear (Updated Figure)

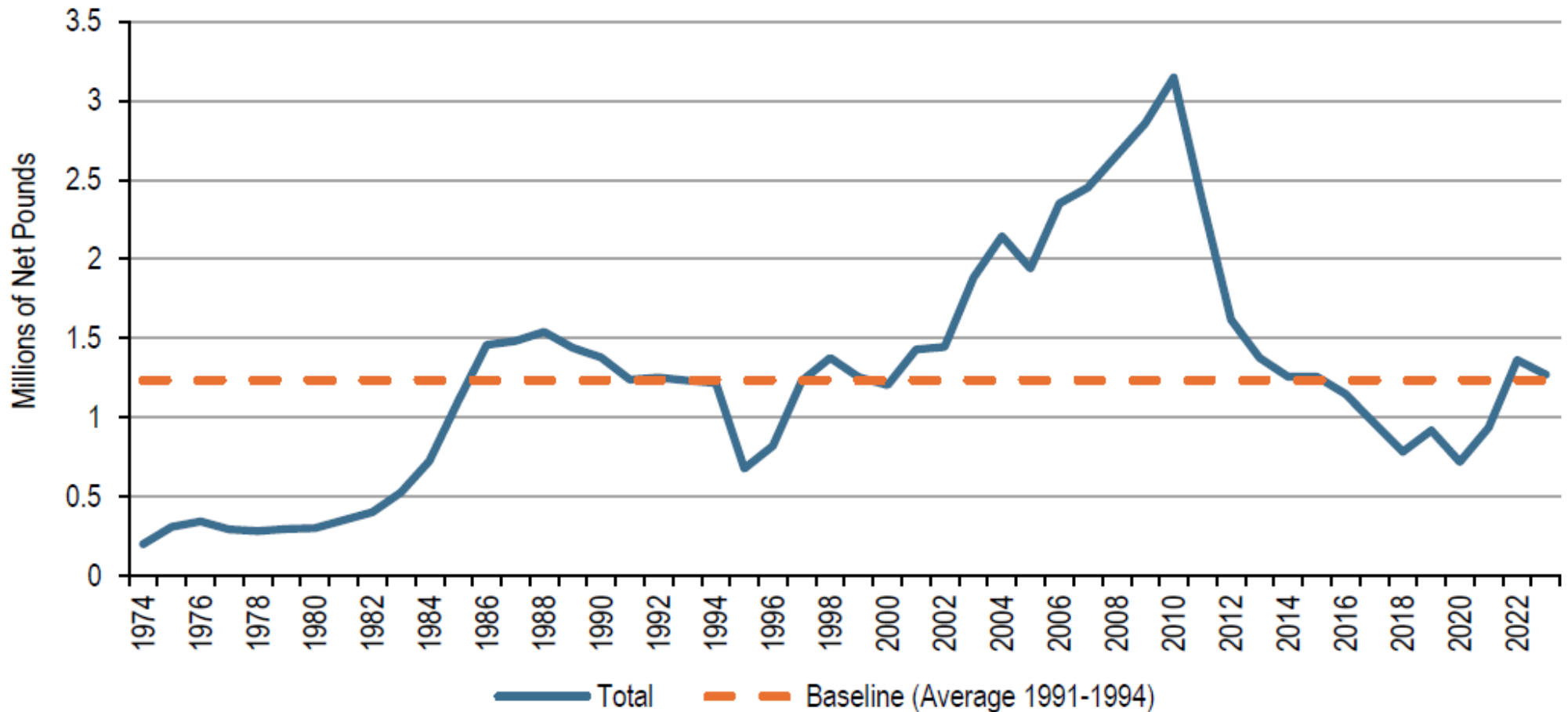
Figure 93. Estimates of Pacific Halibut Mortality from Lost or Abandoned Longline Gear in the Halibut IFQ Fishery (p. 162) *Corrected axis label and legend entry*



Source: IPHC (2024a)

Sub-legal (U32) Halibut Discard Mortality

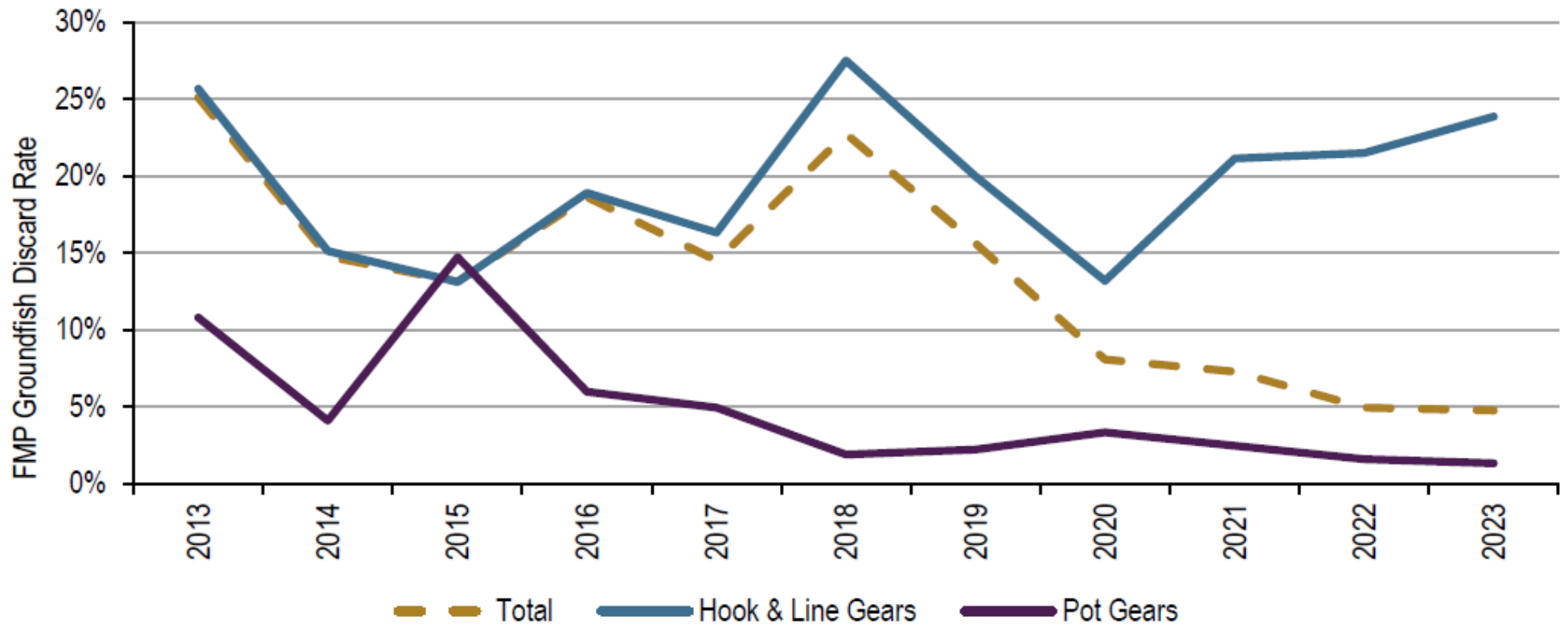
Figure 96. Estimated Sublegal-sized (U32) Halibut Discard Mortality in the Halibut IFQ Fishery (p. 167)



Source: Developed by Northern Economics based on data from IPHC Fisheries Regulations and Data Services Branch (2024)

Groundfish Discards in Sablefish Fishery

Figure 99. Discard Rate of All FMP Groundfish in the Sablefish IFQ Fleet (p. 173)



Source: Developed by Northern Economics based on data from AKFIN (2024)

Subsection 2.12: In-Season Management

Halibut and Sablefish Program Review: Management, Monitoring and Enforcement



Caleb Taylor December 2024

Brian Brown, Assistant Regional Administrator, Restricted Access Management Division

Summary points:

(Section 2.12.5.2) **Interim TEC minimum age policy would benefit from Council input**

(Section 2.12.5.5) **Survivorship Transfer Privilege (Beneficiary Provision) will become constraining in 2025 and would benefit from Council direction**

(Section 2.12.6.4) **The extended IFQ Program season is constraining administrative processes**



In-Season Management [Section 2.12]

Monitoring updates

- Observer coverage percentages
- Development of Electronic Monitoring
- Advent of longline pot gear for sablefish

Enforcement

- Shoreside, at-sea and monitoring violations

IFQ Cost Recovery

Program Costs, Value, and Fee Percentages

IFQ Transfers

- **TEC Minimum Age Policy**
- Medical Transfer Provision
- **Beneficiary Transfer Provision**
- IFQ Return Requests



Administrative Challenges

- Transfer Provisions
- Quota Share Lien Registry
- Overage and Underage Calculations
- **Extended Season**
- Halibut Retention in State Groundfish Pot Fisheries



Management: Transfer Eligibility

Interim TEC Minimum Age Policy

- NOAA Fisheries established an allowable minimum age policy for the issuance of an IFQ transfer eligibility certificate at 18 years old in 2022.
- Commercial harvest crew experience, contractual law, and other legal and enforcement considerations were taken into account.

NMFS recommends initiating a regulatory change to establish a minimum age to be eligible to receive IFQ or QS by transfer based on all applicable laws.



Section 2.12.5.2, pg. 190



Management: Transfers

Beneficiary Transfer Provision

- Following a QS holder's passing, the NMFS Regional Administrator will approve an application for transfer of IFQ for a period of 3 calendar years following the date of death of an individual to a designated beneficiary (§ 679.41(k)(3)).

Beginning with the 2025 IFQ fishing season, NMFS will no longer issue IFQ to beneficiaries that have exceeded the 3-year beneficiary window unless they hold a valid TEC.



Image credit: NPFMC



Management / Administrative challenges:

Extended Season

- Little time to thoroughly review inputted data from large volume of individual landings
- Administrative procedures have become constrained

NMFS recommends initiating a regulatory change to adjust the timing of the annual cost recovery process to address the current time limitation for this annual process.

Fishing Year	Season Begin Date	Season End Date
2019	March 15	November 14
2020	March 14	November 15
2021	March 6	December 7
2022	March 6	December 7
2023	March 10	December 7
2024	March 15	December 7



Summary:

(Section 2.12.5.2) **NMFS recommends initiating a regulatory change to establish a minimum age to be eligible to receive IFQ or QS by transfer based on all applicable laws.**

- This would allow the Council and NMFS to consider a range of options for what the minimum age should be for an individual to receive IFQ or QS by transfer under the IFQ Program.

(Section 2.12.5.5) **NMFS recommends that the Council consider if changes to the survivorship transfer privilege regulations at 50 CFR 679.41(k) are necessary to govern what happens to QS held by a beneficiary beyond 3-years.**

(Section 2.12.6.4) **NMFS recommends initiating a regulatory change to adjust the timing of the annual cost recovery process to address the current time crunch for this annual process.**



Section 2.12.6.4, pg. 199



Figure 85. Number of QS Transfers by Type

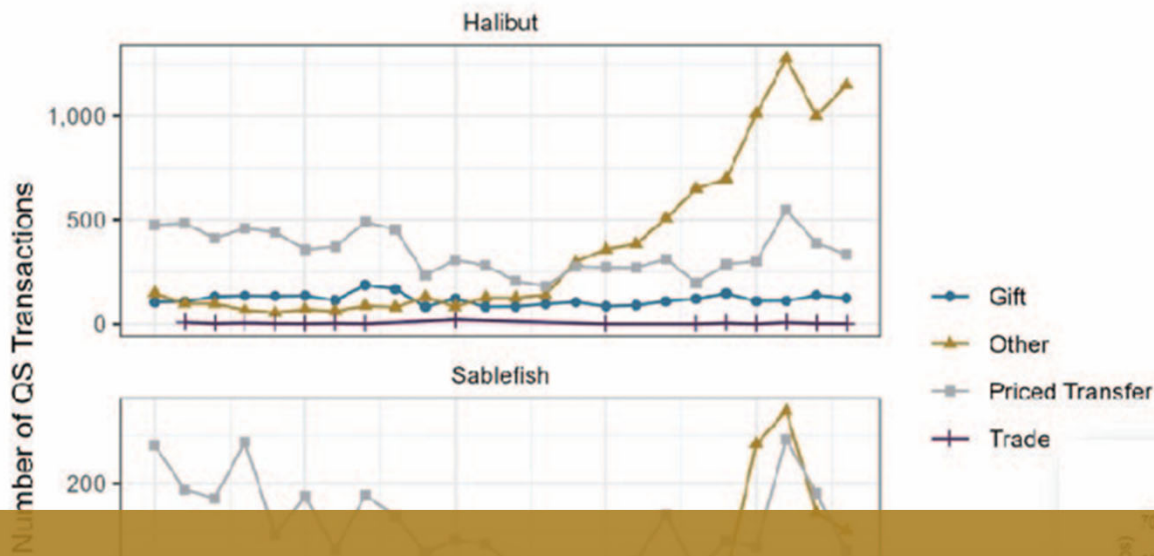


Figure 36. Fleet Composition of the Halibut and Sablefish

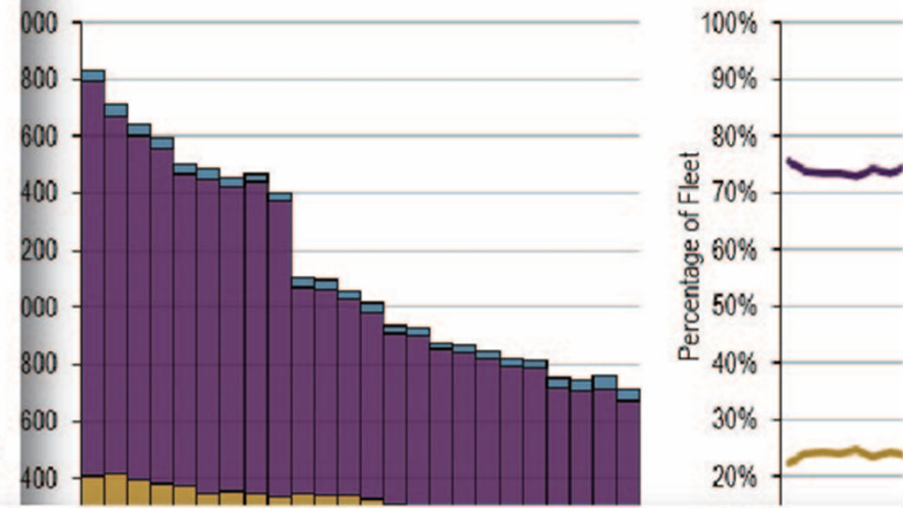


Figure 3. Annual Halibut TAC and Landings

Section 3: Conclusions and Findings

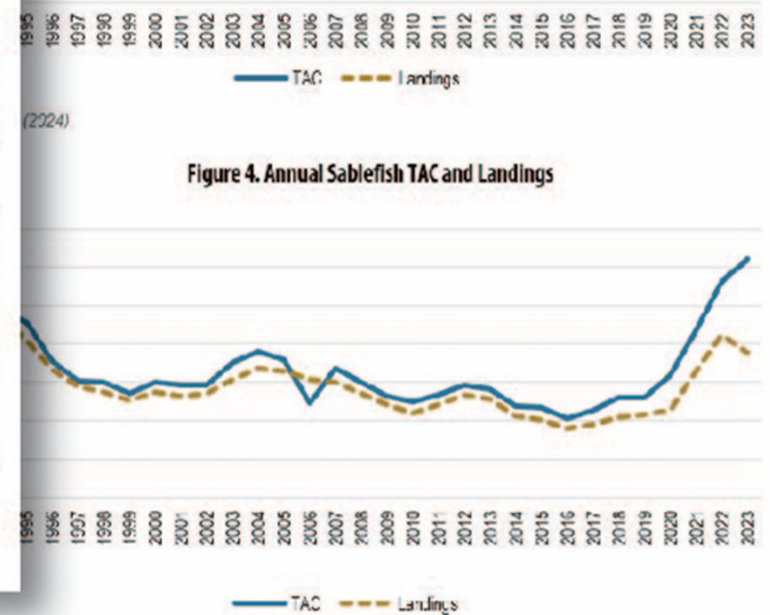
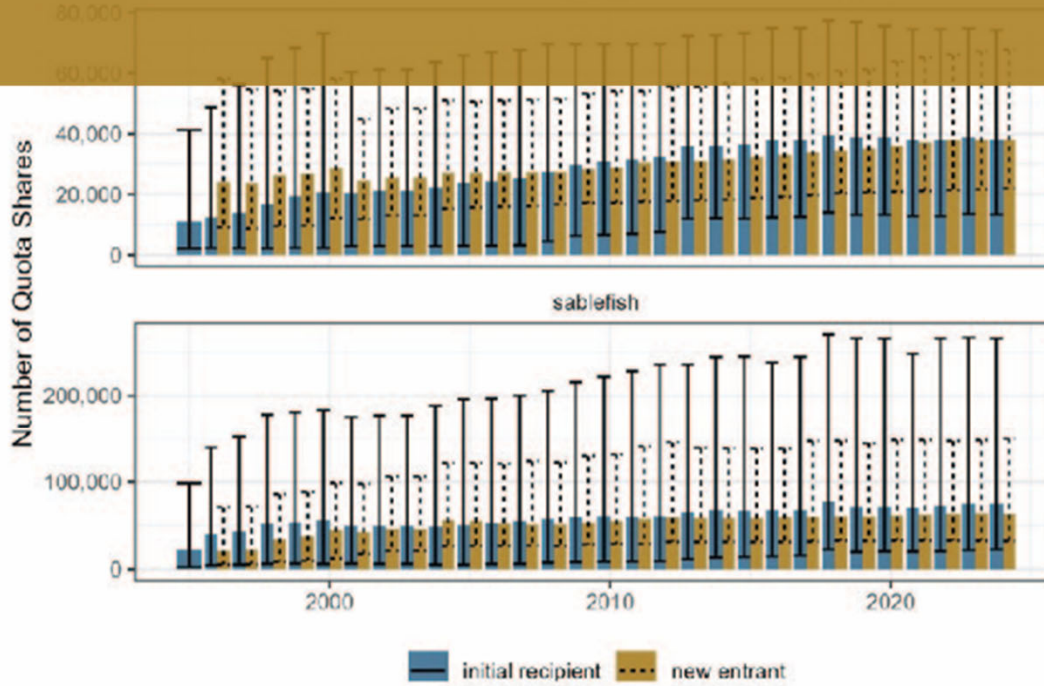


Figure 4. Annual Sablefish TAC and Landings

Table 71. Summary of Changes in Program Performance Since the 2016 Review (p. 202 – 204)

Program Goals and Objectives	Changes in Program Performance Since 2016 IFQ Program Review
Allocation conflicts (Section 2.4.3.2)	No additional allocation conflicts within the IFQ Program were identified. However, allocation conflicts did occur between the target and non-target fisheries, prompting the Council to set abundance-based PSC limits for the Amendment 80 fleet in 2022.
Gear conflicts (Section 2.4.3.1)	Limited data are available to analyze gear conflicts, most recent evidence comes from an early study of the program where program participants reported “uncrowded fishing grounds” as an outcome.
Dead loss from lost gear (Section 2.11.1.1 and Section 2.11.2.1)	As stated in the previous review, the IFQ Program has decreased fishing pressure and reduced <u>deadloss</u> from lost gear, primarily in the halibut fishery. For halibut, mortality estimates from lost gear have continued to decline 2015-2022 to an average of 0.06 <u>Mlb</u> per year. For sablefish, no estimates are available to estimate losses or changes.

Table 71. Summary of Changes in Program Performance Since the 2016 Review (p. 202 – 204)

Program Goals and Objectives	Changes in Program Performance Since 2016 IFQ Program Review
<p>Bycatch loss (Section 2.11.1.1 and Section 2.11.2.1)</p>	<p>Estimated discards and discard rates of FMP groundfish in the halibut IFQ fleet have increased since the previous review, 2023 reported the highest discard rate of FMP groundfish (55%) since observer data began to be used to estimate discard rates in 2013. Average annual discards of FMP groundfish by the sablefish IFQ fleet have declined since the previous review.</p>
<p>Discard mortality (Section 2.11.1.1 and Section 2.11.2.1)</p>	<p>Both legal-sized and sublegal-sized discards of halibut by the halibut IFQ fleet have generally decreased since the previous review. Between 2016 and 2023 the discard rate of sablefish remains consistent with the historical average, at around 5%.</p>

Table 71. Summary of Changes in Program Performance Since the 2016 Review (p. 202 – 204)

Program Goals and Objectives	Changes in Program Performance Since 2016 IFQ Program Review
Excess harvesting capacity (Section 2.4.2)	Since the previous review, the number of active vessels in both the halibut and sablefish IFQ fisheries have continued to decline overall, consistent with the long term-trend. As of 2023, the halibut fishery had 669 vessels making active landings, down an additional 27% from 2014 and down 68% compared to 1995 levels. In the sablefish fishery as of 2023 the fleet has decreased by 11% since 2014 and 55% since 1995.
Product wholesomeness (Section 2.4.4)	Since the previous review, the proportion of halibut deliveries that were headed and gutted-only has increased, from less than 50% between 2009-2015 to 100% since 2019. Sablefish delivery conditions have also changed, with larger percentages of <u>bled-only</u> fish since 2015, increasing to 45% of deliveries in 2021.

Table 71. Summary of Changes in Program Performance Since the 2016 Review (p. 202 – 204)

Program Goals and Objectives	Changes in Program Performance Since 2016 IFQ Program Review
Safety (Section 2.10)	Four fishing fatalities have occurred since 2016, which is consistent with the long-term trend of fewer fatalities than in the pre-IFQ period.
Economic stability in the fisheries and communities (Section 2.9)	Some larger, regional port communities with a long history of engagement in the halibut and sablefish fisheries continue to benefit from the program by retaining security of access to the IFQ fisheries. Since the previous review, additional CEQs have acquired halibut and sablefish QS, but many small, rural communities continue to have limited access to the IFQ fisheries due to lack of QS by residents.

Table 71. Summary of Changes in Program Performance Since the 2016 Review (p. 202 – 204)

Program Goals and Objectives	Changes in Program Performance Since 2016 IFQ Program Review
Rural coastal community development of a small boat fleet	The previous review noted that this objective largely relates to the allocations of halibut and sablefish to the CDQ Program at the time of IFQ Program implementation, and because the CDQ Program is a separate management program, it is not examined as part of the IFQ Program. However, the current review examined changes in the vessel size composition of the fleets in the IFQ fisheries (Section 2.4.5) and changes in IFQ landings and QS holdings in small, rural Alaska communities (Section 2.9). The findings of those sections are summarized elsewhere in this table.
Link the initial QS allocations to recent dependence (Section 2.3)	Because this objective concerns the initial allocation, no changes were identified from the previous review.

Table 71. Summary of Changes in Program Performance Since the 2016 Review (p. 202 – 204)

Program Goals and Objectives	Changes in Program Performance Since 2016 IFQ Program Review
<p>Maintain the existing business relationships among vessel owners, crews, and processors (Section 2.5 and Section 2.6.1)</p>	<p>The number of crew days and crew trips in both fisheries has declined over time, but not as much as the decline in the number of active vessels, supporting conclusions from the previous review that the IFQ program has increased stability and wages for crew that remain in the fishery. Due to the requirement that bona fide crewmembers can only purchase QS and enter the fishery, the number of IFQ crewmembers and proportion of QS held by these individuals has continued to increase over time. While the number on onshore buyers/processors have declined by 53% between 1991–2022, much of this is accounted by major shift between 2007–2009, which appears to be widespread throughout Alaska fisheries and is not believed to be caused by anything directly related to the sablefish and halibut fisheries of the IFQ Program.</p>

Table 71. Summary of Changes in Program Performance Since the 2016 Review (p. 202 – 204)

Program Goals and Objectives	Changes in Program Performance Since 2016 IFQ Program Review
<p>Assure that those directly involved in the fishery benefit from the IFQ Program by assuring that these two fisheries are dominated by owner/operators (Section 2.7).</p>	<p>Since the previous review, both IFQ fisheries decreased their hired master use overall. Hired master use in the halibut catcher vessel fishery decreased from 32.6% in 2014 to 24.7% in 2023. Hired master use in the sablefish catcher vessel fleet decreased by 44.7% to 31% in the same period.</p>
<p>Limit the concentration of QS ownership and IFQ usage that will occur over time (Section 2.4.6 & Section 2.6.2)</p>	<p>Since the previous review, holdings of QS have become less concentrated in the sablefish fishery, but more concentrated in the halibut fishery. For the halibut fishery, overall QS holdings are less concentrated than they were in 2002. Additionally, the proportion of QS held by new entrants has continued to increase.</p>

Table 71. Summary of Changes in Program Performance Since the 2016 Review (p. 202 – 204)

Program Goals and Objectives	Changes in Program Performance Since 2016 IFQ Program Review
<p>Limit the adjustment cost to current participants including Alaska coastal communities (Section 2.9)</p>	<p>Since the previous review, the percentage of the total QS held by Alaska residents has increased in both IFQ fisheries. Among Alaska communities, some have increased their engagement in the processing and harvesting of IFQ fish since the previous review. However, other communities have seen a decrease in engagement, which suggests that they are incurring ongoing adjustment costs to IFQ Program implementation.</p>
<p>Increase the ability of rural coastal communities adjacent to the BSAI to share in the wealth generated by the IFQ Program</p>	<p>The previous review noted that this objective relates to the implementation of the CDQ Program, and because the CDQ Program is a separate management program, it is not examined as part of the IFQ Program.</p>

Table 71. Summary of Changes in Program Performance Since the 2016 Review (p. 202 – 204)

Program Goals and Objectives	Changes in Program Performance Since 2016 IFQ Program Review
Achieve previously stated Council goals and objectives and meet MSA requirements	Although not expressly addressed in the analysis and key findings, this is evaluated throughout Section 2.

Additional LAPP Review Requirements

- **Allocation Review:** In April 2023, staff prepared a workplan for program and allocation reviews to facilitate a more efficient process while still meeting review requirements. According to the workplan, for those allocations that are within the scope of a program review, the program review will be considered sufficient to satisfy the allocation review requirement.
- **Duration:** The final EIS for the IFQ Program states that harvesting privileges under the IFQ Program would be good for an indefinite period of time but would be subject to periodic change, including revocation. In 2012, in response to a recommendation from the Council, NMFS issued a final rule, sending notices to QS holders who had been inactive since IFQ Program implementation that their QS would be revoked.
- **Auctions and Royalties:** While royalties and cost recovery fees are not synonymous, NMFS has implemented a cost recovery program to recover the incremental costs of management, data collection, and enforcement of the IFQ Program.

Net Benefits to the Nation

- A key question of a LAPP review is to assess whether, on the whole, society is better off under the program than it would have been without the program.
- A quantitative assessment of estimate of changes in net benefits to the Nation was not undertaken, but the review discusses major drivers of changes in benefits and costs as a result of the IFQ Program and the likelihood that net benefits have increased by comparing trends before and after program implementation.
 - The end of derby conditions, extending season lengths (Section 2.4.1, have allowed harvesters to more effectively plan their operations around market conditions for the IFQ fisheries and other fisheries they participate in.
 - Average revenue per vessel has generally increased since the program was implemented (Section 2.4.6.2)
 - The design of the IFQ Program attempted to balance economic efficiency with social objectives, and several elements of the program directly constrain economic efficiency. Kroetz, Sanchirico, and Lew (2015) found that resource rent (a measure of added value to society) in the fisheries was reduced by 25% in the halibut fishery and 9% in the sablefish fishery as a result of the vessel class and blocking restrictions on QS transfers.

Net Benefits to the Nation

- When the IFQ program was implemented, it was expected that economic efficiency would be negatively impacted by QS trading restrictions, among other aspects of the program, such as requirements for hired-master use
- These efficiency costs were weighed against expected benefits to providing more widespread fishing opportunities and employment in the IFQ fisheries.
- The net benefits to specific communities and individuals within those communities may or may not be positive under the IFQ Program.
 - Several larger, regional port communities with a long history of engagement in the halibut and sablefish fisheries benefited from the program by securing continuing access to the fisheries.
 - However, some small, rural communities saw their access to the IFQ fisheries limited due to the loss of QS by residents.

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