

ADVISORY PANEL
Motions and Rationale
June 7-10, 2022 - Sitka, AK

D2 IFQ Committee

The AP recommends the Council undertake analysis of an action to modify the Vessel IFQ Cap regulations under 50 CFR Section 679.42(h)(1) for halibut in IPHC Regulatory Area 4.

The analysis will consider changing the vessel cap regulations in halibut management Area 4 (4A, 4B, 4C, 4D) to set the vessel halibut IFQ cap annually as:

Option 1, a percentage (4, 5 or 6%) of the combined Area 4 halibut IFQ TACs, or

Option 2, 50% more than the Alaska coastwide vessel cap.

(2) Option 3, apply the above options to Area 4BCD only

The Alaska coastwide vessel cap would continue to apply to poundage harvested in management areas outside Area 4 (except 2C). For vessels fishing in both Area 4 and in areas outside Area 4, the Area 4 vessel cap and the coastwide vessel cap are not additive. (See the rationale below.)

(1) Additionally the AP recommends the Council analyze the following options to change the vessel cap for harvest of Area 4B IFQ halibut derived from QS held by a CQE:

(1.1) Option 1, a percentage (4, 5 or 6%) of the combined Area 4 halibut IFQ TACs, or

(1.1) Option 2, 50% more than the Alaska coastwide vessel cap.

The action will be reviewed three ~~(2) to five~~ years after implementation to determine whether the conditions that necessitated the action continue to exist.

Amendment to amendment 1 to add options 1 & 2 passed 16-0

Amendment 1 passed 16-0

Amendment 2 passed 16-0

Motion as amended passed 16-0

Rationale for Main Motion as Amended

- *The Council's IFQ Committee in May recommended "that the Council initiate an analysis of modified vessel use caps for Area 4 halibut IFQ, with several options suggested." The Committee also recommended moving directly to initial review in hopes of having a permanent rule in place by 2024. It is understood that the initiation of an analysis on vessel caps will potentially allow for emergency vessel cap relief again in 2023 while a permanent solution is developed and implemented.*
- *The vessel halibut IFQ cap (vessel cap) is currently specified annually for all halibut management areas (except 2C) as .5% of the Alaska coastwide halibut IFQ TAC. The current vessel cap in 2022 is 101,490 lbs – down from a decade ago when the vessel cap reached 295,000 lbs. The drastic reduction in halibut TAC and associated vessel cap has led to fewer vessels fishing in the Bering Sea and Aleutian Islands. Data indicates a recent inability to fully harvest halibut quotas in Areas 4A and 4B, and a continuing drop in the number of available harvesting vessels. From 2015 to 2021, the number of vessels harvesting 4A is down by 13%.*

Vessel participation in 4B is down 42% and 4CD is down by 29% when compared to 2015. When 2021 vessel participation is compared to earlier years, such as 2010 - 2013, the percentage reductions are far greater.

- *Under revised regulations, the Area 4 vessel cap is expected to be higher than the coastwide vessel cap. If the regulations were revised as suggested, and the Area 4 vessel cap was 4%, for example of the Area 4 IFQ TACs, the Area 4 vessel cap would be 155,520 pounds (see the data below). Those vessels fishing both in Area 4 and in areas outside Area 4 would be permitted to harvest up to the Area 4 vessel cap inside Area 4, but only up to the coastwide vessel cap outside Area 4. The two caps are not additive; a vessel cannot fish up to the vessel cap in Area 4 and also fish up to the coastwide vessel cap in areas outside Area 4. For example, a vessel could harvest the new BSAI vessel cap entirely in the Bering Sea, or a portion (up to the coastwide vessel cap) outside area 4 and the remainder of the new cap in Area 4.*
- *Several conditions affect the availability of appropriate halibut harvesting vessels in the Bering Sea. One is the continuing and worsening problem of whales taking fish off longline hooks in the Bering Sea fisheries, and the need to travel to more remote fishing grounds instead of the shelf edge to efficiently harvest halibut. Most of the recent halibut harvest of 4CD has been around St. Matthew Island, about 450 miles from Dutch Harbor. Second, the steep decline in halibut availability starting in 2011 has meant that some smaller-scale halibut fishing operations have ceased to operate or have diversified into other fisheries. Third, the COVID pandemic caused further reductions in harvesting capacity and the number of vessels that are willing and able to participate in the Bering Sea halibut fisheries.*
- *These three factors have decreased both the availability of the larger longline vessels and the availability of smaller vessels. The local small-boat fleet in St. Paul, for example, has declined by 25% in the last ten years. In Area 4, the cap needs to be more closely aligned to the number of available vessels of a size that can safely navigate the Bering Sea.*
- *Specific to 4C and 4D, in 2022, CBSFA members hold a total of 152,000 pounds of 4C/D halibut IFQ. All that IFQ halibut plus CDQ halibut allocated to CBSFA would normally be harvested on small local vessels in a day-boat fishery. Without a local market for small boat halibut deliveries, quota holders from St. Paul, for instance, will need to harvest IFQ on larger vessels – some of which are already operating at the coastwide cap. Additional cap capacity is clearly needed in Area 4.*
- *With a much lower vessel cap compared to previous years, vessels have sought to be as efficient as possible and may be focusing efforts in the GOA for economic reasons. Bait, fuel and supplies are more expensive in SW Alaska than in some GOA communities, ex-vessel values are significantly lower, and travel to and from the fishing grounds is much more extreme and riskier.*
- *The Committee stated that any new vessel use cap should be designed so that the cap does not affect the sequencing of the areas that an IFQ vessel might fish during a given year. In other words, if a higher vessel use cap exists for fishing in Area 4, vessels that also fish in 2C and 3AB should not be required to complete their fishing in the Gulf of Alaska before entering Area 4, nor should they be required to fish Area 4 first.*
- *The fleet contains a mix of vessels that are based in western Alaska and vessels that fish areas east-to-west, and the Committee wants any action to promote flexibility and avoid the unintended consequences associated with prescribing the time/area of fishing. In addition, halibut processing capacity in parts of the Bering Sea and Aleutian Islands has been and remains problematic, forcing vessels to travel long distances to and from processing locations.*

The processing plants in St. Paul, Adak, and Atka are not buying halibut again in 2022, creating the need to travel hundreds of miles from the grounds to available markets in Dutch Harbor, Akutan, or King Cove. The caliber of vessel needed to safely prosecute the Area 4 fishery has significantly changed.

- *Stakeholders again made a request for expedited action waiving vessel caps to apply to the 2022 halibut fishery, and the request was recently acted upon. This expedited action could be extended through 2023 to apply to Area 4 until the implementation of a more permanent action. This request is for a more permanent action, since the approach of seeking temporary regulations is not viable under the emergency action criteria.*

Data

Area 4 Vessel Cap	Pounds
4%	155,520
5%	194,400
6%	233,280

Rationale for Amendment 1

- *The IFQ committee recommended (without objection) the Council take up an analysis of modifying the Area 4 vessel use caps for IFQ halibut. This amendment seeks to treat the CQE 4B holders equitably. Public testimony from 4B CQE representatives outlined hardships identical to the rationale for the main motion. Specifically, limited access to processors, high cost of fuel, safety concerns, and repercussions from COVID mitigation actions.*
- *An emergency rule has been requested and NOAA Fisheries recently issued a final rule to remove limits on the maximum amount of halibut Individual Fishing Quota (IFQ) that may be harvested by a vessel in Area 4B for the 2022 season and this amendment will provide extended relief.*
- *The work associated with this addition would be targeted and minimal and not expected to delay other action(s) or timelines.*

Motion 2

The AP recommends the Council prioritize the IFQ Committee's recommendation to place the small sablefish release initial review on the Council agenda for action and consider the data provided in the study done by Dr. Knuckey.

Motion passed 16-0

Rationale:

- *The reasons for this motion have been widely addressed in public testimony and by the IFQ committee. Including the consideration of the study done by Dr. Knuckey is noted because of the large discrepancy in the conclusions from NMFS where the same exact data was used. It is worthwhile for staff to reanalyze this data from both lenses.*
- *This motion will also help to align sablefish management and enforcement with the State water sablefish fisheries which currently allows for discards of sablefish of any size*