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## **Central Bering Sea Fishermen's Association**

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International Pacific Halibut Commission 2320 West Commodore Way, Ste 300 Seattle, WA 98119

Submitted electronically to secretariat@jphc.int

Dear Commissioners:

At the International Pacific Halibut Commission's (IPHC) Interim Meeting in November 2019, the staff presented a probable FCEY, or fishery quota, of 670,000 pounds (recently upped to 730,000 pounds) for Area 4CDE. <u>This proposed FCEY essentially shuts down the directed halibut fishery in the Bering Sea</u>. The staff made this preliminary calculation based on a continuing decline of the halibut resource, and an increase in halibut bycatch in the Bering Sea.

Given the gravity of this situation, and to avoid a fishery emergency, the Central Bering Sea Fishermen's Association (CBSFA) respectfully submits these comments to the IPHC, proposing policy decisions that would more equitably provide halibut to the directed halibut users in Alaska, and in particular to the halibut-dependent fishermen and communities in Area 4CDE.

We request the Commissioners consider the following policy choices; our letter provides rationale for these requests beginning on Page 3:

1. Increase the harvest rate from .75 to 1 for the Bering Sea.

2. Support the MSAB suggestion to establish a base allocation to all areas, and provide additional fish granted to Area 2A and Area 2B by increasing the harvest rate in those areas.

3. Delay or cancel implementation of the January 2019 agreement to consider exempting 2B from deduction of U26 bycatch.

4. Use bycatch numbers that reflect a three-year rolling average.

5. Assume that the 2020 bycatch may not be equal to the 2019 bycatch, and use a lower number.

## **CBSFA Background**

CBSFA is the management organization for Saint Paul Island under the Western Alaska Community Development Quota Program (CDQ). Since the program was created in 1992, the federal government has been awarding various species of fish (CDQ allocations) from the Bering Sea and Aleutian Islands (BSAI) commercial fisheries to CBSFA. In turn, CBSFA manages these allocations to promote social and economic development at Saint Paul Island.

CBSFA holds CDQ halibut quota in IPHC Area 4C, and coordinates the local fishermen's

participation in the commercial halibut fishery in 4C and 4D. CBSFA operates a halibut cooperative in conjunction with the fishermen, and our two 58-foot fishing vessels - the F/V Saint Paul and the F/V Saint Peter. CBSFA purchases the halibut from the local fleet and partners with Trident Seafoods to custom process and market the halibut. In these low halibut years, the overall operation of the commercial halibut fishery is subsidized by CBSFA. Without the subsidy, it is unlikely that processing operations, or a market for the local fleet, would exist.

For the past ten years the average total annual income to the Saint Paul Island halibut fishermen has been about \$2.7 million per year. Approximately 75 to 100 members of the community participate in the halibut fishery including the skippers, crewmembers and onshore hook baiters. For many of these people, the fishing income accounts for 100% of their annual income. The commercial halibut fishery is the main source of private employment and revenue for the residents of Saint Paul.

Halibut is the lifeblood of Saint Paul Island and a major contributor to the local economy; it is also a historic and customary source of seafood for our community and many other communities of the Bering Sea. Halibut has been a major source of livelihood for the Unangan (Aleut) people of the Bering Sea/Aleutian Islands region since time immemorial.

### Halibut Bycatch Reduction

In recognition of the economic and cultural importance of halibut fishing to the people of Saint Paul, CBSFA has focused efforts at the North Pacific Fishery Management Council (NPFMC) over the last 15 years on conservation of halibut, and on improvements to the management of halibut bycatch in the groundfish fisheries in the Bering Sea.

After a five-year process, in 2015 the NPFMC voted to cut the halibut bycatch limits in the Bering Sea groundfish fisheries by 21%. We had asked for a 50% cut. The Council indicated that the reduction was just a first step, and that Abundance-Based Management (ABM) of halibut bycatch was the correct vehicle to further limit bycatch. Another five years of strong efforts have finally led to a set of ABM alternatives for Council consideration and action in the next year or two.

The need for halibut bycatch reduction has been brought powerfully to the forefront by the status of Bering Sea bycatch in 2019 – O26 bycatch was up 31% according to preliminary figures provided by IPHC staff at the Interim Meeting in November.

This jump in bycatch directly affecting the FCEY, in combination with outdated harvest policy, and policy decisions made at the January 2019 IPHC meeting that affect the TCEY, have had a disastrous and disproportionate effect on the halibut available for directed use in Area 4CDE. It is the perfect storm. According to preliminary staff figures at the Interim Meeting (IM) in November, the projected FCEY in Area 4CDE in 2020 could be reduced by 64%, to 730,000 pounds from the 2019 level of 2.04 million pounds.

The local share of the projected 4CDE FCEY of 730,000 pounds would likely not warrant opening the processing plant on Saint Paul, which would effectively result in NO commercial fishery in 4CDE. As we fight the battle at the Council to reduce halibut bycatch, we ask the Commissioners to consider the following policy changes to help maintain our fishery.

### **Requested Policy Changes**

#### In arriving at the TCEY:

# **1.** Increase the harvest rate from .75 to 1 for the Bering Sea. This would increase the 4CDE FCEY to 1.53 million pounds<sup>1</sup>.

According to staff presentations in November, the harvest rates for each region/area were developed 20 years ago, in 1999, and are reflective of the relative productivity of the area at that time. Region 3 was the center of productivity then, and was assigned a harvest rate of 1, while Region 4 was less productive and was assigned a harvest rate of .75. That productivity has changed; Region 3 is declining, while Region 4 is increasing<sup>2</sup>. The policy is outdated. Recent yield-per-recruit analysis<sup>3</sup> that examined productivity between the four Biological Regions supported "the application of a lower relative harvest rate in western areas in the historical harvest strategy, but also shows changes in productivity over time that may affect the appropriate current application of relative harvest rates." The staff clearly indicated in November that Area 4CDE should be receiving a 100% harvest rate instead of 75%.

# 2. Moderate the effect on Alaska Areas of the Commissioner's agreements to stabilize Areas 2A and 2B by supporting the MSAB method of protecting Alaska while apportioning additional fish to non-Alaskan Areas. This would increase the 4CDE FCEY to 860,000 pounds<sup>4</sup>.

Data indicates that 12.5% of the surveyed abundance of halibut is in Area 2B, yet Area 2B ends up with 19.5% of the TCEY based on the preliminary TCEY recommendations; likewise, 2% of the surveyed abundance is in Area 2A, but 5.2% of the TCEY is distributed to 2A. In effect, the Interim Meeting's preliminary TCEY's, if adopted, would re-distribute approximately 10% of the coastwide TCEY or more than 3 million pounds from Alaska to Areas 2A and 2B given the current F46 reference harvest rate (HR). This reallocation will cost Alaska fishermen and communities millions of dollars in lost first wholesale value and lost economic activity<sup>5</sup>.

Rather than taking fish away from all Alaska Areas in a reallocation to other Areas, we support the MSAB suggestion that the Commissioners establish a fair and consistent base distribution approach for Canada and all U.S. Areas. After establishing the base apportionments, the extra allocation ceded to some areas should be taken out of the resource instead of out of the Alaska catch limits, by increasing the harvest rate in two areas. While we recognize this will increase the overall harvest rate, it will still be below F40, and we believe that it is more equitable than placing the reapportionment burden entirely on Alaska stakeholders.

<sup>&</sup>lt;sup>1</sup> IPHC-2020-AM096-09 Rev\_1, TABLE A4, p. 24. https://www.iphc.int/uploads/pdf/am/2020am/iphc-2020-am096-09.pdf

<sup>&</sup>lt;sup>2</sup> IPHC-2019-IM095-09 Rev\_1, FIGURE 6, p. 7. https://www.iphc.int/uploads/pdf/im/im095/iphc-2019-im095-09.pdf <sup>3</sup> IPHC-2020-AM096-12, p. 12.

<sup>\*</sup> IPHC-2020-AM096-09 Rev\_1, TABLE A5, p. 26. https://www.iphc.int/uploads/pdf/am/2020am/iphc-2020-am096-09.pdf

<sup>&</sup>lt;sup>5</sup> Based on 2019 NMFS cost recovery ex-vessel values, 2016-2018 average first wholesale multiplier from Alaska CORE reports, and estimated 1.5 multiplier for economic activity.

# **3.** Delay or cancel implementation of the January 2019 agreement to consider exempting 2B from deduction of U26 bycatch.

The Commissioners agreed in January 2019 to "consider" exempting 2B from the deduction of U26 halibut bycatch in the groundfish fisheries in the calculation of the TCEY for each area. The Canadian rationale was that they do not contribute to the bycatch so should not "pay" for it. If 2B is exempted from the deduction of U26 bycatch, more of a burden is placed directly on the Alaska Areas, as 2A receives a set amount also agreed upon by the Commissioners.

Given that the U26 component of the stock migrates between regulatory areas, Canada cannot claim the benefit of those fish migrating into 2B without also absorbing the impact of the mortality on those same fish.

By Commissioners' agreement, 2B is already receiving an amount of halibut that is 70% based on a five-year rolling average of the recent historic amounts they received that were NOT based on science or IPHC policy. An additional "bump" through exemption from subtraction of U26 bycatch is neither warranted nor equitable.

### In arriving at the FCEY:

# 4. Use bycatch numbers that reflect a three-year rolling average. This would increase the 4CDE FCEY to 1.02 million pounds<sup>6</sup>.

Currently, the policy is to subtract from the TCEY in each area the amount of O26 bycatch caught in that area in the previous year. In Area 4 in 2019, the large increase in bycatch may reflect conditions specific to 2019 rather than expectations for 2020. As a smoothing device to moderate the effect of one year's bycatch on the following year, we propose that the IPHC instead use a threeyear rolling average of historic O26 bycatch.

Since the IPHC manages the quotas based on the TCEY instead of the FCEY, any smoothing done at the TCEY level (slow up/fast down, etc.) might not ever be enough to moderate a high bycatch year. Additionally, 2017 represents the lowest O26 bycatch level in the last 20 years, and 2017 and 2018 are the first and second lowest values in the last ten years. Once ABM is in place, and if the projected/averaged value seems unreasonable, the Commissioners could "reset the clock" on the averaging values to avoid a projection that's too high.

# 5. Assume that the 2020 bycatch may not be equal to the 2019 bycatch, and use a lower number.

In the past, the A80 bottom trawl fleet responsible for much of the Bering Sea bycatch has voluntarily offered their best efforts to avoid bycatch in the coming year, and the Commissioners in response have used a lesser bycatch number to calculate FCEY in 4CDE. It is unknown at this writing whether the A80 sector will be able to make a similar commitment for 2020, but it remains a potential part of the solution for Area 4.

<sup>&</sup>lt;sup>6</sup> IPHC-2020-AM096-09 Rev\_1, TABLE A2, p. 22.

https://www.iphc.int/uploads/pdf/am/2020am/iphc-2020-am096-09.pdf

## Table of effects

The following table depicts the effect of each quantifiable choice on the Area 4CDE FCEY for 2020. Clearly, the biggest effect would come from changing the harvest rate to 100% (#1), while the second biggest effect would come from using the three-year rolling average of bycatch (#4).

The table also provides the potential cumulative impacts of the proposed changes. The combination of #1 and #4, the full harvest rate and the three-year rolling average bycatch number, would increase the Area 4CDE FCEY to 1.87 million pounds.

			1	2	4		
			Full Harvest	2A 2B	3-yr Average		_
Area 4CDE (M lbs.)	2019	2020 IM	Rate (1.0)	Additive	Bycatch	1+4	2+4
TCEY	4.00	3.22	4.04	3.34	3.16	4.04	3.34
O26 Bycatch	1.87	2.40	2.40	2.40	2.06	2.06	2.06
U26 Bycatch	1.12	1.09	1.09	1.09	1.02	1.02	1.02
Total Bycatch	2.99	3.49	3.49	3.49	3.08	3.08	3.08
FCEY	2.04	0.73	1.53	0.86	1.02	1.87	1.17
Change to FCEY	1.31	0.00	0.80	0.13	0.29	1.14	0.44

We ask the Commissioners to consider the policy choices we request. The choices follow the science-based principles of the IPHC, and are not arbitrary increases.

The fishermen and halibut-dependent communities in the Bering Sea need your help to survive the devastating effects of both the reduced halibut resource and increased 2019 halibut bycatch. We have spent 10 hard years fighting the battle for reduced halibut bycatch on behalf of the resource and the directed users; please allow us to maintain our fishery and our livelihoods until we can achieve success.

Sincerely,

Phillip Lestenkof, President Central Bering Sea Fishermen's Association

Cc: Alaska Congressional Delegation Alaska Governor Mike Dunleavy Alaska Department of Fish and Game Commissioner Doug Vincent-Lang NMFS Regional Administrator Dr. James Balsiger North Pacific Fishery Management Council Chairman Simon Kinneen