

# North Pacific Fishery Management Council

Richard B. Lauber, Chairman  
Clarence G. Pautzke, Executive Director

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June 19, 1992

## DRAFT AGENDA

### 102nd Plenary Session North Pacific Fishery Management Council June 23-27, 1992 Sitka, Alaska

The North Pacific Fishery Management Council will convene at 1:00 p.m., on Tuesday, June 23, 1992, at the Centennial Building in Sitka, Alaska. Other meetings to be held during the week are:

#### Committee/Panel

#### Beginning

Advisory Panel	1:00 PM, Monday, June 22
Scientific and Statistical Committee	1:00 PM, Monday, June 22
General Comment Period**	Tuesday, June 23
Finance Committee	7:00 AM, Thursday, June 25

**\*\*On the afternoon of the first day of the Council session, Tuesday, June 23, time will be allocated for public comment on any agenda item for those who wish to fly into Sitka for one day only.**

All meetings except Council executive sessions are open to the public. Other committee and workgroup meetings may be scheduled on short notice during the week.

#### **INFORMATION FOR PERSONS WISHING TO TESTIFY BEFORE THE COUNCIL**

Those wishing to testify before the Council on a specific agenda item must fill out a registration card at the registration table **before** public comment begins on that agenda item. Additional cards are generally not accepted **after** public comment has begun. A general comment period is scheduled toward the end of the meeting, time permitting, for comment on matters not on the current agenda.

Submission of Written Testimony During Council Meeting. Any written comments and materials provided during a meeting for distribution to Council members should be provided to the Council secretary. A minimum of 18 copies is needed to ensure that every Council member, the executive director, NOAA General Counsel and the official meeting record each receive a copy. Some agenda items may have a formal, published deadline for written comments. For those items, written comments submitted after the published deadline or at the Council meeting, other than simple transcripts of oral testimony, will be stamped "LATE COMMENT." They will not be summarized or analyzed in preparation for the Council meeting, nor will they be placed in Council member notebooks. All "LATE COMMENTS" will be placed in a special notebook, marked as such, and made available to Council members upon their request.

Information on testifying before the Advisory Panel and Scientific and Statistical Committee is found on the next page.

**FOR THOSE WISHING TO TESTIFY BEFORE THE ADVISORY PANEL**

The Advisory Panel has revised its operating guidelines to incorporate a strict time management approach to its meetings. Rules for testimony before the Advisory Panel have been developed which are similar to those used by the Council. Members of the public wishing to testify before the AP **must** sign up on the list for each topic listed on the agenda. Sign-up sheets are provided in a special notebook located at the back of the room. The deadline for registering to testify is when the agenda topic comes before the AP. The time available for individual and group testimony will be based on the number registered and determined by the AP Chairman.

**FOR THOSE WISHING TO TESTIFY BEFORE THE SCIENTIFIC AND STATISTICAL COMMITTEE**

The usual practice is for the SSC to call for public comment immediately following the staff presentation on each agenda item. In addition, the SSC will designate a time, normally at the beginning of the afternoon session on the first day of the SSC meeting, when members of the public will have the opportunity to present testimony on any agenda item. The Committee will discourage testimony that does not directly address the technical issues of concern to the SSC, and presentations lasting more than ten minutes will require prior approval from the Chair.

**INFORMATION FOR THOSE PLANNING TO ATTEND THE  
AUGUST 3-5 MEETINGS IN JUNEAU**

The AP and SSC and Council will meet in Juneau, Alaska beginning on Monday, August 3, to consider the revised inshore-offshore amendment for the Bering Sea/Aleutian Islands. The AP and SSC will begin at 8:00 a.m. on that day, with the Council beginning at 8:00 a.m. on Tuesday, August 4. The meetings will be held at the Baranof Hotel and are expected to be completed by the end of the day on August 5. For the convenience of industry members who wish to attend this meeting, we have blocked rooms at the following Juneau hotels/motels.

Prospector (907-586-3737)  
August 2-4, 15 rooms

Travelodge (907-789-9700)  
August 2-5, 40 rooms

Driftwood (907-586-2280)  
August 2-4, 27 rooms

Reservations for these hotels **MUST** be made by July 1; callers should ask for the NPFMC room block. Please spread this information to others who may be attending the meeting.

June 19, 1992

**DRAFT AGENDA**

**102nd Plenary Session  
North Pacific Fishery Management Council  
June 23-27, 1992  
Sitka, Alaska**

- A. CALL TO ORDER, APPROVAL OF AGENDA, AND MINUTES OF PREVIOUS MEETING
  
- B. REPORTS
  - B-1 Executive Director's Report
  - B-2 Domestic Fisheries Report by ADF&G  
(includes status report on CDQ program development)
  - B-3 NMFS Management Report  
(includes status of amendments and regulatory actions)
  - B-4 Enforcement and Surveillance Report
  
- C. NEW OR CONTINUING BUSINESS
  - C-1 Moratorium
    - (a) Receive Moratorium Committee report.
    - (b) Consider approving moratorium for Secretarial review.
  
  - C-2 Inshore-Offshore  
Approve for public review revised Amendment 18 to the Bering Sea and Aleutians groundfish plan.
  
  - C-3 North Pacific Fisheries Research Plan
    - (a) Receive report from Observer Committee.
    - (b) Consider approving plan for Secretarial Review.
  
  - C-4 International Fisheries
    - (a) Report on regulations proposed to monitor influx of fish products originating in the Russian EEZ.
    - (b) NOAA-GC report on Sen. Stevens' proposal to restrict U.S. operations if affiliated with foreign operations in the Donut Hole. Take action as appropriate.
    - (c) Status report on establishing permit conditions disallowing U.S. vessels from fishing in the Donut.
  
  - C-5 Comprehensive Rationalization Program  
Initiate process for developing the comprehensive rationalization program.

C-6 Marine Mammals and Seabirds  
Status report.

C-7 Other Business

D. FISHERY MANAGEMENT PLANS

D-1 Crab Management  
Report from Crab Plan Team on need to revise Crab OYs.

D-2 Groundfish Management

- (a) Consider final approval of BSAI Amendment 21 on halibut bycatch caps.
- (b) Consider final approval of GOA Amendment 26 on protecting red king crab and prohibiting trawling off Southeast Alaska.
- (c) Comment on proposed rule providing for trawl test zones.
- (d) Status reports on amendments to allocate preferentially to gear types with low bycatch and to make seasonal allocations of Pacific cod.
- (e) Initial review of proposed Pribilof Island trawl closure and possibly of salmon bycatch proposal if available.
- (f) Comment on proposed rule defining pelagic trawl gear and receive NMFS report on defining pelagic trawl gear based on performance.
- (g) Receive committee and NMFS reports on discards and determine how to proceed.
- (h) Review recordkeeping/reporting requirements proposed for 1993.
- (i) Review draft analysis on total weight measurements and interactive communications.
- (j) Review policy on setting of overall OY caps.
- (k) Miscellaneous groundfish:
  - (1) Bycatch rate standards - VIP program for second half of 1992.
  - (2) IPHC request for scientific research permit (informational item).
  - (3) Petition from St. Paul Island regarding pollock research.

D-3 Staff Tasking  
Review tasking and give staff direction on proposed IFQ amendments to be analyzed.

E. FINANCIAL REPORT

- (a) Review proposals to analyze exclusive registration areas/pollock "B" season delay.
- (b) Review budget submission for 1993.

F. PUBLIC COMMENTS

G. CHAIRMAN'S REMARKS AND ADJOURNMENT

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Certified: Lari Pautzke  
Date: 4/12/92

## MINUTES Scientific Statistical Committee April 20-23, 1992 Anchorage, Alaska

The Scientific and Statistical Committee of the North Pacific Fishery Management Council met April 20-22 at the Anchorage Hilton. All members except John Burns, Bill Clark and Dan Huppert were present, namely:

Terry Quinn, Chair  
Don Rosenberg  
Jack Tagart  
Richard Marasco  
Marc Miller

Larry Hreha  
Bill Aron  
Doug Eggers  
Phil Rigby (alternate for Gordon Kruse)

**General Remarks:** The SSC commends the Council staff and other preparers on their excellent work which was accomplished over a very short period of time. The SSC also thanks the Council staff for their help in organizing presentations, for logistical support and for being well prepared.

### C-2 Inshore/Offshore

The SSC received a presentation describing the contents of a report titled, "A cost-benefit analysis of pollock and cod quota allocations in the Bering Sea/Aleutian Islands." This paper presents a conceptual framework for conducting the cost-benefit analysis which the SSC identified as missing during our earlier review. As noted in previous SSC minutes, input/output analysis provides information on how various industry sectors, communities and regions will be affected by different allocations, while cost-benefit analysis provides estimates of net benefits.

This cost-benefit framework provides a basis for examining alternative inshore/offshore allocations. Future applications of this methodology would benefit from refinements of estimates of several key model inputs, for example, harvesting and processing costs (particularly, the inshore sector), discard rates, product recovery rates, and markets (particularly prices, exports and market access).

### C-3 Moratorium on the Entry of New Vessels

The SSC reviewed the April 6, 1992 draft moratorium document. Specific comments have been provided to the staff. The SSC recommends that the document be released for public review.

#### **C-4 North Pacific Fisheries Research Plan**

The SSC received a report on the revised North Pacific Fisheries Research Plan. Plan objectives, options for observer program funding, and an analysis of observer coverage were discussed by the SSC. Necessary levels of coverage to meet plan objectives are different. Recent analyses by NMFS indicate that relatively low levels of coverage, say between 10% and 30%, are often adequate to estimate target fishery catches. For estimating bycatch rates of prohibited species, necessary coverage can be as high as 70% to 80%. For purposes of an incentive program, necessary coverage approaches 100%. Annual analysis and evaluation of observer coverage and sampling methods is anticipated in the plan in order to successfully implement plan objectives.

The SSC was particularly concerned about the difficulty in estimating bycatch in some components of the groundfish fishery regardless of the level of observer coverage (e.g. salmon); bycatch rates for some prohibited species are highly variable due to infrequent occurrence or clustered distribution. Another key problem is that under a fee collection system, estimated revenues are not adequate to fund complete coverage for all fisheries addressed by the research plan.

During its January meeting the SSC recommended that several issues be addressed in the research plan. The April 1992 revision of the research plan has met SSC concerns by:

1. adding the halibut fishery as an observed fishery;
2. NMFS providing an analysis which documents expected levels of precision at varying levels of observer coverage for many components of the groundfish fishery; and
3. accommodating the SSC's January recommendation to address statistical power.

SSC recommendations still not addressed are:

1. the determination of which fisheries are most in need of full observer coverage; and
2. completion of a qualitative assessment of the possible effect of observers on bycatch.

The SSC suggested the design of the observer program include further work on the comparison of whole haul versus basket sampling in future evaluations. This work would require more complete observer documentation for each subsample. The SSC recommends that the plan be released for public review.

#### **C-4(c) 1993 Observer Coverage**

The SSC received a report on the need for 1993 observer program changes contained in the Regional Director's letter of April 17, 1992 and endorsed the preparation of a regulatory amendment to implement the recommended changes.

#### **C-5 International Fisheries**

The SSC received a report on the results of workshops and a meeting dealing with the pollock problem in the Central Bering Sea. Two workshops were held in Seattle in February attended by China, Korea, Japan, Poland, Russia and the U.S.:

1. to develop an observer program to cover the pollock fisheries of the international zone of the Central Bering Sea. A consensus was reached regarding levels of initial observer coverage, training of observers, observer qualifications, data collection, and analysis of data;
2. to further develop analyses of the status and population dynamics of pollock. VPA and stock synthesis models were applied and each clearly demonstrated the decline of pollock in the Central Bering Sea. The models worked better if they were fitted to an assumption that there was a 60-40 split in the contribution of fish to the "Doughnut hole" from the U.S.-Russia zones, rather than the 80-20 split that had been previously hypothesized. The absence of age/length information from the Western Bering Sea pollock catch is a major barrier to furthering our understanding of the stock composition and dynamics.

The workshops were followed by plenary sessions in Washington D.C. in April. The plenary approved the report of the observer workshop, thus committing each fishing country to implement an observer program. The countries all agreed that the pollock situation in the "Doughnut hole" was serious and while each of the fishing nations agreed to reduce fishing effort, no agreement on the Russian-U.S. moratorium proposal could be reached. There was tentative agreement for the group to meet again in August in Petropavlosk, Kamchatka.

The Alaska Fisheries Science Center also reported that preliminary analysis of the Bogoslov hydro-acoustic survey, just completed, indicated little change from last year and appears to be in the 600,000 to 800,000 t range.

#### **C-6 Comprehensive Rationalization**

The SSC discussed the Council staff's "Comprehensive Rationalization Program" paper (C-6), the NMFS Special Studies Team's cost-benefit analysis, and preliminary NMFS guidance concerning socioeconomic research requirements (Fricke, draft report). The SSC also received public testimony which echoed points in these documents that trade-offs between efficiency and equity will shape the future nature of managed fisheries. Recent Council deliberations over inshore/offshore pollock allocations and sablefish and halibut individual transferable quota programs underscore the desirability of formal analytical treatment of the social and economic impacts of NPFMC policies. Although the Council receives valuable input on the human dimension in fisheries through public testimony and Advisory Panel advice, Fishery Impact Statement requirements in the amended Magnuson Fishery Conservation and Management Act would appear to compel systematic and integrated socioeconomic analysis.

The Council has the opportunity to define the situation by identifying the key issues which bear on the rationalization of fisheries. The SSC recommends that the Council take the initiative by organizing a retreat where individuals from the Council family (including the Advisory Panel, SSC, and Council staff) can reach agreement about appropriate management alternatives and priorities, and research topics and methods. Outside experts may be invited as necessary. The purpose of the retreat would be to build a template to structure the necessary research tasks.

In constructing this template, the SSC recommends that the design combine: (1) input/output analyses (addressing distribution effects), (2) cost-benefit analyses (addressing efficiency and, possibly, extending to mathematical programming/optimization analyses), and (3) social impact analyses. For example, the following social data needs merit attention:

1. demographic/sociological profiles of NPFMC fishing communities (this inventory might be organized along the lines of the inshore/offshore profiles),
2. measures of community dependency on commercial, subsistence, and recreational fishing (this would include documentation of marine mammal and wildlife interactions with fishing activities),
3. measures of the consequences of policy alternatives on the diversity and flexibility of fishing patterns,
4. community stability and fishery development trade-offs, and
5. the effect of NPFMC policies on Pacific Fishery Management Council fisheries.

The above list may be refined by: (1) further guidance for the preparation of social and economic impact analyses being developed by NMFS, and (2) results of a recent Sea Grant conference held in Washington, D.C. concerning the investigation of social and economic phenomena in fisheries.

As stated in January, the SSC believes it important to consider narrowing the comprehensive analysis by eliminating some of the seven major alternatives listed in the Council staff's rationalization paper. This could be accomplished via a quick, qualitative evaluation. The analytical resources of the Council could then be directed toward evaluating the few most likely alternatives.

#### **D-1 Crab Management**

Members of the Crab Plan Team provided an overview of the crab SAFE, the 1991-1992 snow crab fishery, and the possible recalculation of Bering Sea crab optimum yields.

The SSC noted that the OY for C. opilio is currently limiting harvests. The GH (guideline harvest level) for the 1991-1992 fishery was 70 million pounds above the OY. The SSC discussed the limited and dated biological basis on which the C. opilio OY was originally calculated. Other current issues pertinent to the OY include handling mortalities of bycaught crab, the harvest of hybrid crab, and the importation of crab from the western Bering Sea.

The SSC suggests that it would be appropriate for the crab plan team to meet specifically to address the need to redetermine crab optimum yield levels. The crab SAFE was reviewed and no deficiencies were noted.

#### **D-2 GOA and BS/AI Groundfish**

##### **D-2(c) Total Catch Estimation and Reporting**

The SSC heard a report from Ron Berg, Alaska Regional Office, on continuing efforts to research methods of obtaining direct weights of catch at-sea. Technologies investigated to date have not been able to demonstrate acceptable levels of precision, but work is continuing to reduce the relative error. Despite the desire to adopt rules promoting direct methods of weighing catch at-sea, Ron acknowledged that enforcement requirements will always depend on product recovery rate conversion factors.



#### **D-2(d) Trawl Test Fishing Zones**

The SSC reviewed the draft EA/RIR for a GOA plan amendment to establish pelagic and bottom trawl test fishing areas. This proposal creates three test fishing areas, one off northeast Kodiak Island, one near Sand Point and another near Dutch Harbor. The SSC recommends that the amendment go out for public review subject to the following considerations:

1. a systematic review of each test fishing area for conformance to the five proposed test fishing area criteria;
2. a summary list of species likely to be encountered in the test fishing area;
3. a review of the accessibility of these areas, i.e., the convenience of access;
4. an analysis of the necessary size of a test fishing area;
5. a review of enforcement requirements, e.g., check-in and check-out requirements;
6. a review of potential impacts on crab resources in each test fishing area.

#### **D-2(f) Groundfish Amendments**

The SSC notes that neither Amendment 21 nor Amendment 26 received Plan Team review, which deprives the Council of their expertise in caretaking of the respective FMPs. The SSC recommends that the amendment packages receive Team review whenever possible.

##### Amendment 21: BS/AI Bycatch

Three proposals are included in the package that the SSC reviewed and we heard presentations from staff and authors of the proposals.

1. Establish trawl and non-trawl fishery halibut PSC limits. The bycatch model used to estimate the effects of the options considered is a revised version of the model previously used for bycatch, and many of the shortcomings and limitations of that model previously identified by the SSC are still present. However, these limitations are clearly stated in the package. The SSC notes that generally speaking, the result of reduced bycatch is the reduction of groundfish catch and in most cases the costs exceed the benefits.
2. Improve chinook salmon bycatch management in the BS/AI. Because catches for certain western Alaska chinook salmon fisheries have been constrained while generally achieving desired escapement levels, the declining trend in western Alaska chinook salmon catches in figure 3.1-9 overestimates the recent decrease in western Alaska chinook salmon abundance. The SSC suggests that chinook salmon escapement estimates which are available for the Yukon, Togiak and Nushagak Rivers be included in Figure 3.1-9.
3. Prohibit bottom trawling in IPHC Area 4-C adjacent to the Pribilof Islands. The SSC recommends that a statement be included in the text for the IPHC Area 4-C closure that describes why under scenario 1, Alternative 2, the "Groundfish Adjusted Net Value" decreases relative to Alternative 1 and increases under the more stringent Alternative 3. An explanatory statement also is needed for the behavior of Scenario 2 groundfish net values.

The text states that the effect of Alternative 2 and 3 on birds and marine mammals should be positive. The SSC believes that the current understanding of bird/marine mammal/fishery interactions does not warrant such a strong statement. It is recommended that this section be changed to reflect this lack of understanding. Further, the "+" and "++" in bird and marine mammal population rows of Table 4.3 should be replaced with a symbol representing uncertainty ("?").

The SSC recommended several editorial changes and additions to the document as presented. Two additional chapters are being prepared by the Team. The SSC has appointed a subcommittee (Rich Marasco, Gordon Kruse, Bill Clark) to review the completed document with the suggested changes and recommends that it go out for public review after this review.

#### Amendment 26: GOA

Two proposals are included in the package that the SSC reviewed and we heard presentations from staff and authors of the proposals.

1. Prohibit trawl gear east of 140° W. in the eastern GOA. The prime objective of the amendment is to provide protection to coastal communities in the face of a concern for a perceived expansion of a trawl fleet, that both preempts fishing grounds and TACs. The document analyzing the amendment proposal contains considerable biological and economic analyses, but no social analysis. This absence is largely the result of the lack of sociological data combined with the very short time (6 weeks) allowed for the analysis.

While there have been additional concerns for possible damage to the benthic communities caused by trawling, high bycatch rates of salmon, and the potential decline of marine mammals and birds, these concerns could not be substantiated with available data.

The SSC provided the analysts with several suggested clarifying comments, including:

- a. There is a need to provide some insight on bycatch from the longline fleet. Data from observers aboard factory longliners or IPHC data from the halibut fleet might be used to address this issue. These analyses should address the possibility that non-observed vessels, which would make up the bulk of the catches if trawling is banned, could generate some unexpected bycatch problems.
- b. Regardless of Council action on the proposed amendment, there is a need to examine catch reporting requirements, possibly requiring daily reporting, to eliminate the problem of harvests exceeding TACs and ABCs (e.g. sablefish, rockfish in Table 7 and Table 13).
- c. The document should be modified to eliminate hypothetical ABC revisions for 1992 and report only the actual 1992 ABCs. The distributions of the current TACs should simply rely upon the biomass distributions.
- d. A statement in section 2.8.1.2 that indicates that there is the possibility for fixed-gear net revenues and the economic base of coastal communities to erode with the expansion of trawl fishery removals should be expanded.

- e. A summary statement of benefits that would accrue with implementation of alternative 2 should be added to section 2.8.2.2.
  - f. In the view of the Alaska Region, a proposed rule change to alter DSR take by trawlers would effectively permit trawl fishing for deep-water rockfish while protecting the DSR fishery and prevent grounds pre-emption by trawlers. The consequences of this rule change should be clarified.
2. Re-establish crab closure around Kodiak. The SSC heard a staff presentation and comments from the public.

The SSC recommends that once the issues summarized above for the eastern Gulf trawl closure have been addressed by the drafters, the document be sent out for public review.

#### **D-2(g) Individual Bycatch Quotas**

The SSC was told that the Bycatch Team met to discuss the feasibility of using individual quotas in bycatch management. Monitoring and verification were identified as critical issues. Further progress on the development of an IBQ program awaits resolution of these problems.

#### **D-2(h) Preferential allocation of Pacific cod to fixed gear fisheries that have low halibut bycatch**

An analysis of this issue is underway at the Alaska Fisheries Science Center. An attempt will be made to have a draft report available for review by the June Council meeting.

#### **D-2 Miscellaneous: SAFE and Overfishing Issues**

The Team was not at the April meeting, so could not comment on SSC recommendations from the January meeting regarding SAFE preparation.

The subcommittee on overfishing (Clark, Quinn, Thompson, Methot) met in March to consider alternatives to the current overfishing definition. The Committee is leaning toward using analysis of spawning stock biomass to specify default values of overfishing and ABC, with the possibility of adjustments for current biomass level. The subcommittee will meet in May to prepare a proposal to submit to the SSC at its June meeting.

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Approved by \_\_\_\_\_  
Date \_\_\_\_\_

## ADVISORY PANEL MINUTES APRIL 20-23, 1992 ANCHORAGE, ALASKA

The Advisory Panel for the North Pacific Fishery Management Council met on April 20-23, 1992, at the Anchorage Hilton Hotel. Members in attendance were:

John Bruce  
Al Burch  
Gary Cadd  
Phil Chitwood  
Dan Falvey  
Dave Fraser, Vice Chair  
Spike Jones

Kevin Kaldestad  
David Little  
Pete Maloney  
Dean Paddock  
Penny Pagels  
Bryon Pfundt  
Perfenia Pletnikoff

John Roos  
John Sevier  
Harold Sparck  
Michael Stevens  
Beth Stewart  
Robert Wurm

Minutes for the January 1992 meeting were approved.

### ELECTION OF OFFICERS

John Woodruff was unanimously re-elected Chair and Dave Fraser was re-elected as Vice Chair by an 11-9 vote.

### C-2 INSHORE/OFFSHORE

#### C-2(A)

The AP recommends to the Council that the Governor's CDQ package be submitted to the Secretary as a regulatory amendment and then comment directly to the Secretary on the proposed rule in June. The only alteration to the package recommended by the AP is that the distance from the baseline be changed from 30 to 50 miles to include the communities of Naknek, King Salmon, South Naknek, and Aleknagik.

(This motion passed unanimously)

#### C-2(B)

With regard to the next phase of the Inshore/Offshore, the AP recommends the Council staff analyze a range of percentages for the shoreside pollock allocation from 35-45% including the CVOA, the definition of which needs to be clarified (i.e., are motherships allowed to receive catch in the zone?) In addition, the proposal submitted by AHSFA should be included as an alternative. The AP feels that the Cost/Benefit analysis performed by NMFS is seriously flawed. Further, we feel that an Economic Efficiency Analysis, while a useful and necessary tool, is too limited in its scope to decide net national benefits.

In deciding net national benefits, a broader scope must be used that considers conservation, product utilization, social impacts, and other relevant long-term benefits. The chair of the AP will appoint a work group to detail the flaws and technical concerns in the economic study.

(This motion passed 13-6)

The following is the report of the work group on the AP's concerns on the Economic Cost/Benefit Analysis:

The AP has a general concern about seeing a document so central to a decision only after the decision has been made. Our criticisms of the model's structure, inputs, and scope should be taken into account in the development of the analysis for the next phase of inshore/offshore.

- A. **Lack of Symmetry (differential treatment of the Inshore and Offshore sectors.**
  - 1. Doesn't account for opportunity costs of processing labor offshore.
  - 2. Treatment of meal product.
  - 3. Treatment of discards.
  - 4. Projections for future must use data of equal quality by sector.
  
- B. **Lack of Scope**
  - 1. Leakage of national benefits to foreign economies.
    - a. Distributional analysis of payments (costs).
    - b. Repatriation of rents/profits to foreign ownership of plants and vessels.
  - 2. Assumes constant returns to scale (linear)  
It doesn't examine how industry profitability will change with changing percentages.
  - 3. Only deals with producer surplus (private profitability) versus consumer surplus.
  - 4. There is no examination of differential bycatch rates by sector and the potential cost of discards to third parties.
  
- C. **Inputs**
  - 1. Shaky documentation of PRRs.
  - 2. Product mix is not present time (current)
  - 3. Prices are not present time and appear to be from different sources.
  - 4. Arbitrary assumption that CDQs assigned to inshore sector and no consideration of moving CDQ beneficiaries from government dependency to private sector.
  
- D. **Qualitative Limitations Need To Be Explicitly Recognized**
  - 1. Need for qualitative valuation of:
    - a. environmental costs,
    - b. conservation costs,
    - c. bycatch costs, (particularly inshore operational zone), and
    - d. social costs. (Foregone benefits to other sectors resulting from discards)
  - 2. Because it is a one-year snapshot it doesn't capture the dynamic changes that have already happened in the industry, such as trends to vertical integration.
  
- E. **Black Box Syndrome - When computer models are used in an analysis the public has no way of knowing whether the model is conceptually valid because we only see the outputs and some of the inputs.**
  - 1. Recommend a technical team of directly involved industry representatives to interface with the authors of future analyses.

2. Such a team would:
  - a. Have input on need for systematic data collection.
  - b. Provide input on structure of computer models.
  - c. Give the public an opportunity to utilize the model prior to the meeting where a decision is made, and run alternate scenarios.
3. We recommend that any Cost/Benefit Analysis on a decision of this magnitude be subject to peer review.

This report is intended to show the range of concerns of AP members on this analysis. Not all AP members endorse the validity of each point.

(A motion to endorse this report passed 13-2)

C-2(D)

The AP recommends that a regulatory amendment for the BSAI be developed apportioning PSC limits for herring and Chinook salmon (should a Chinook cap be imposed) relative to any future inshore/offshore percentages for pollock.

(This motion passed unanimously)

C-2 Inshore/Offshore

**Minority Report**

We, the following members of the Advisory Panel, protest and object to the recommendation in favor of any further analysis and action to resubmit Amendment 18 to the BSAI groundfish plan.

The problem statement has been invalidated due to approval of Amendment 23 (GOA groundfish plan). Preemption has not been a substantiated problem in the Bering Sea.

Under-Secretary Knauss urged the Council "To work as expeditiously as possible toward some other method of allocating fish than either olympic system or government intervention." Inshore/offshore is blatant government intervention. The Under-Secretary recommends a system which "relies more on free market decisions..."

It is virtually impossible for the Council to follow Under-Secretary Knauss' urging to work as "expeditiously as possible" if more staff time, agency time, the public's time, the AP's time and the Council's time, continues to be directed at this issue.

Signed: Phil Chitwood  
Dave Fraser  
David Little  
Mick Stevens

### **C-3 MORATORIUM**

The AP had two suggestions for items to add to the analysis document:

1. A list of the specific fisheries that are included in the FMPs.
2. A discussion of how future vessel buyers could be assured that a vessel they are purchasing was qualified after the Moratorium implementation, perhaps through something like a registration certificate.

The AP recommends sending the Moratorium Analysis out to public review with a deletion of the option of including motherships and processing vessels.

(The main motion passed Unanimously)

(The amendment to restrict the moratorium to harvesting vessels passed 13-7)

### **C-4(A) NORTH PACIFIC FISHERIES RESEARCH PLAN**

The AP recommends the Research Plan analysis be sent out for public review as is.

(This motion passed 14-4, minority report attached)

The AP added to its Research Plan recommendation the following:

1. NMFS should go to public bid on a proposal to provide the requisite number of observers and requisite data management efforts under the Research Plan, the total of which cannot exceed the funds generated by the 1 percent exvessel assessment.
2. The AP recommends start-up funds be covered by Congress and believes the industry Council, and environmental community should undertake a coordinated lobbying effort to achieve this goal.  
(This motion passed 15-1)

### **C-4(A)**

#### **Minority Report**

The undersigned members of the AP believe that it is misleading to send out options for public review on levels of observer coverage for which necessary levels of funding have not been provided in the options. We reiterate our support for the position taken by the AP in January that it is necessary to include an option of a change in valuation of the fisheries from ex-vessel to an upward adjusted ex-vessel value not to exceed first wholesale value. We believe this is a necessary to accompany option 2 (100% coverage).

Signed: Penny Pagels  
Beth Stewart  
Dave Fraser

#### **C-4(C) Changes to the existing observer program**

The AP recommends sending the package of proposed changes in the existing observer program forward to a draft regulatory amendment, including an option of requiring standard C communications or equivalent on at least 100 percent covered vessels. Also, the AP requests the Council Chairman to establish one Observer Oversight Committee now and instruct them to meet with observer program people and region staff in the development of the draft regulatory amendment (fine tuning of proposals and establishing one needed criteria and parameters around some of the proposals).

(This motion passed unanimously)

#### **C-5 INTERNATIONAL FISHERIES**

No report taken.

#### **C-6 COMPREHENSIVE RATIONALIZATION PLAN**

No report taken.

#### **D-1 CRAB MANAGEMENT**

The AP recommends that the Council ask the Crab Plan Team to initiate review of the opilio OY and begin analysis to amend the Plan.

(This motion passed unanimously)

#### **D-2 GROUND FISH MANAGEMENT**

##### **D-2(D) Trawl test zone**

The AP recommends that the Council adopt Alternative 2 and that staff be directed to finish the EA/RIR/IRFA responding to the concerns of the SSC and AP before the amendment is signed and published in the Federal Register. The AP's concerns are:

1. That the areas not be open when directly conflicting with a crab fishery.
2. That use of the areas not conflict with halibut openings.
3. Areas not be larger than necessary.
4. That observer coverage is at the RD's discretion.

##### **D-2(E) Delay the BSAI Pollock B Season**

The AP had an extensive discussion of the various implications of a delay including:

1. Improved product quality and recovery
2. Various bycatch tradeoffs between herring and salmon
3. Ripple effect of impacts on other fisheries such as YFS and GOA pollock  
(A motion to delay the "B" season failed 8-8)



D-2(F)

**Amendment 26**

The AP recommends that the Council approve Amendment 26 for public review with the following changes:

1. Regarding the proposed trawl closure East of 140 degrees, the AP recommends that the analysis include a statement noting the limitations of the analysis in evaluating social costs and benefits such as employment, community stability , and availability of alternatives.  
(This portion of the motion passed unanimously)
2. Regarding the Kodiak trawl closures, the AP was evenly split on the question of whether to delete Alt. 3.  
(The main motion passed unanimously)

**Amendment 21**

The AP recommends sending the salmon chapter of the amendment out to public review after the addition of an option to include time/area closures by 1/2 by 1 degree blocks on a month-by-month basis, selectively applied to those fisheries that account for the vast majority of the salmon bycatch (i.e., MW and bottom pollock and possibly P. cod)  
(This motion passed unanimously)

With regard to the Pribilof Island proposed area closure the AP recommends that the Council add an alternative consisting of a 25-mile closure (measured from the beach) for -

1. bottom trawling
2. all trawling

and send the package out for public review.  
(This motion passed unanimously)

D-2(I) VIP Rates

The AP recommends that the VIP rates for the 3rd and 4th quarters be the ones recommended by the AP at the December council meeting.

	<u>Halibut</u>		<u>Red King Crab</u>	
BSAI:	P. Cod	3.0%	BSAI: Flatfish	2.5/mt
	Flatfish	0.5%		
GOA:	Rockfish	5.0%		
	Cod	5.0%		

(This motion passed unanimously)

The AP also heard a report on the status of the VIP program. We are deeply distressed about the lack of apparent effectiveness of the program. A motion was made to request that the councils once again ask the RD to publish vessel bycatch rates of halibut and King salmon by vessel name.

(This motion passed 9 - 5)

D-2(J) Pelagic Trawl Definition

The AP discussed concerns about the ongoing problem with the use of modified bottom trawls in the Pollock fishery after the closure to bottom trawling and the inadequacy of the VIP program to prevent excess halibut bycatch in the upcoming B season.

The AP recommends that the Council recommend that NMFS undertake a regulatory amendment redefining a pelagic trawl with the attached Draft Pelagic Trawl Definition serving as the basis for the development of regulatory language, and to include consideration of the restriction of the use of floats on pelagic trawls.

(This motion passed unanimously)

Other Business

The AP requests that the NPFMC's Executive Director arrange for staff reports on environmental issues including the biology of depressed and threatened species and habitat to be included in our briefing at each meeting.

DRAFT PELAGIC TRAWL DEFINITION

A PELAGIC TRAWL means a trawl which:

(revised section)

1. a) Does not have discs, bobbins, rollers, or other chafe protection gear attached to the foot rope (or fishing line)\*, but which may have weights on the wing tips and,

b) Has stretched mesh sizes of at least 60 inches, as measured between knots,

1.) starting at all points on the fishing line, head rope, and breast lines and extending aft to the fishing circle and going around the entire circumference of the trawl, and

2.) which has the webbing tied to the fishing line with no less than 20 inches between knots around the circumference of the net

c) Has stretched mesh sizes of at least 60 inches continuing from the fishing circle,

1.) for a distance equal to or greater than one half the vessel's length and,

2.) for an additional distance equal to or greater than one half the vessel's length has webbing which shall be of stretched measure larger than 15 (or 30 or 60) inches and,

3.) contains no configurations intended to reduce the mesh size of the forward section.

d) (May have parallel lines spaced no closer than 64 inches in the forward section ahead of the required minimum length of large mesh, but such parallel lines shall not substitute for the required length of large mesh.)

(new section)

2. Shall be permitted to have small mesh

a) within 10 feet of the head rope and breast lines for the purpose of attachment of instrumentation and/or lifting devices (i.e. - kites or floats)

b) within 32 feet of the center of the head rope for the purpose of attachment of instrumentation (i.e. - netsounders).

3. Shall have no more than one each fishing line and (or) foot rope, for a total of no more than two (one) weighted lines on the bottom of the trawl between the wing tip and the fishing circle.

4. Shall have no metallic components except for connectors (i.e. - hammerlocks or swivels) aft of the fishing circle and forward of any mesh greater than 5.5 inches stretched measure.

THE FISHING CIRCLE is defined as the circumference of the trawl measured from the center point of the fishing line. This center point shall be clearly marked with a yellow marker.

\* NOTE: Underlined text represents new or replacement wording to the existing definition. Text in (parenthesis) represents options resulting from comments received in response the draft circulated as a result of the Ad Hoc Gear Committee's work group meeting.