

## C2 Bering Sea Aleutian Islands Pacific Cod Small Boat Access Initial Review

The SSC received a presentation from Kate Haapala (NPFMC) of an initial review draft RIR document that analyzes a proposed amendment to allow smaller hook-and-line (H&L) or pot catcher vessels (CVs) operating in the federal BSAI Pacific cod <60' hook and line (H&L) or pot CV sector to harvest Pacific cod from the jig sector's federal BSAI Pacific cod allocation. The proposed amendment would redefine the current federal BSAI Pacific cod jig sector to include jig CVs and catcher processors (CPs) as well as H&L or pot CVs that are less than or equal to either 55' or 56' length overall (LOA). Public testimony was provided by Dustan Dickerson (Unalaska Native Fishermen's Association) and Rachel Donkersloot (Coastal Cultures Research) and a written comment was received from Nikita Kuzmin.

The SSC commends the analysts on a clear, thorough, and thoughtful presentation and analysis. The analysis assembles the available and relevant information on the BSAI Pacific cod pot jig and <60' H&L or pot CV sector including the license limitation program, process for Pacific cod reallocations, fishery harvest and value trends by vessel group, and vessel linkages to communities. An overriding challenge for the analysts in evaluating this proposed action is the limited number of <60' LOA H&L or pot CVs in total (31 on average per year), and in particular those that are less than or equal to either 55' (a low of two vessels participating in the most recent year and an average of nine per year) or 56' (a low of five vessels in the most recent year and an average of 12 per year) and the accompanying data confidentiality constraints. The analysts, however, through a combination of quantitative data and qualitative narrative, presented an analysis that is comprehensive and sufficient for understanding the various costs and benefits of the proposed action, using the best available data.

Analysis of trends within vessel groups indicates that all groups have been negatively impacted in terms of catch and revenue due to Pacific cod TAC declines, but that the less than or equal to 56' LOA H&L or pot CVs have not been disproportionately impacted. Specifically, within the analysis of alternatives, catch statistics from 2008-2021 are provided by vessel group (jig, less than or equal to 56' LOA H&L or pot CV, and greater than 56' and less than 60' H&L or pot CV) allowing for analysis of historical trends by group. The percentage of the allocation landed by the less than or equal to 56' LOA vessels, including a typical annual reallocation from the jig sector, has not been decreasing over time.

The SSC finds the analysis adequate to allow the Council to understand the impacts of the alternatives. **The SSC finds the analysis sufficient to advance to final action** after the analysts address the following minor recommendations:

- **The purpose and need statement describes the motivation for this change as about entry, competition, and attenuating an ensuing race-to-fish, and these concerns were brought forward in public testimony. Figure 4.1 shows that the race has not reduced the share of catch going to smaller vessels. However, the SSC encourages the analysts to, if possible, explore whether shortening seasons are occurring and if so, whether this is a result of the decrease in TAC or something else. For example, showing the number of fishing days per season, or the opening and closing dates for the A season, could help understand the extent to which seasons are shortening. A catch per day metric could provide a measure of whether fishing is occurring more quickly, potentially because of a race-to-fish. A finding of reduced season length, in combination with the Figure 1 results, would give a more complete picture of whether the data substantiates the purpose and need statement.** It would be useful to include data on safety incidents that could be associated with a race-to-fish in this fishery.

- Although an excellent analysis considering the timeframe and data available, it is important to note that the numbers presented in Section 4.3 are all based on behavior under the current regulations that serve to constrain fisher choices. However, if regulations change, fishers will likely change their behavior. **The SSC suggests adding some clarifying language that emphasizes the difficulty of predicting responses post-management change and the inherent behavioral assumptions associated with the numbers presented.** For example, substantial entry to the new less than or equal to 55' or 56' LOA H&L or pot and jig sector could negatively impact jig participants over the long run (especially if the suboption of retaining the B-season as a jig-only fishery is not selected); on the other hand, if the new less than or equal to 55' or 56' LOA H&L or pot and jig vessels harvest a large portion of the allocation, this may jeopardize reallocation and full utilization of the stock.
  - In addition to general caveats, the analysts may want to consider caveating text like the following: “there would have been enough TAC in the BSAI Pacific cod jig sector’s 1.4 percent allocation to support the new BSAI Pacific cod small vessel sector in every year from 2008 through 2021 under option 1 and 2”. This would only be true under the assumption that the less than or equal to 56' LOA H&L or pot vessels would not increase their harvest, despite having a much longer period during the A season.
  - Another plausible assumption is that participants in the new less than or equal to 55' or 56' LOA H&L or pot or jig sector would increase their harvest with access to the jig quota in the A season and when they no longer have to compete with the larger H&L or pot vessels. In fact, the <60' LOA H&L or pot season closed by the end of January in recent years. Instead, under Alternative 2, Option 1 or 2, the vessels entering the jig sector would have until the end of April to harvest the A season jig quota.
- **The SSC also recommends the analysts explore additional information related to the community of those likely to be impacted.** Specifically:
  - In Table 4-1, it could be helpful to split the "*Small vessel sector (jig + ≤ 55' H&L/pot CV)*" row into two sub-rows (with one being a jig vessel count and the other being the 55' H&L/pot vessel count). Similarly, splitting the "*Small vessel sector (jig + ≤ 56' H&L/pot CV)*" row into two sub-rows (with one being a jig vessel count and the other being the 56' H&L/pot vessel count) would make it easier to assess potential differences between the two options.
  - In Section 4.5 Community Impacts, it could be helpful to note in the text (or in a new table) the community of ownership of those few vessels enumerated in the revised Table 4-1 that would have been eligible to be a part of the redefined < 60' sector under one of the options but would be a part of the newly defined small boat sector under the other (i.e., the "swing" vessels).
- No exhaustive discussion of subsistence is needed, but instead of concluding there would be no direct or indirect impacts on subsistence, a more nuanced statement in Section 4.5 that does not exclude the potential for some indirect increase in subsistence activity or decrease in cost of subsistence by small vessels could be appropriate.
- The SSC also requests that, to the extent possible, the analysts explore the average historical vessel/participant dependence on the current <60' LOA H&L/pot sector. This could be done by calculating the average percent of total vessel revenue of the different groups (≤55' LOA; ≤56' LOA; >56 to <60' LOA) that is derived from this fishery.
- The SSC suggests that analysts might consider addressing data confidentiality challenges arising from the above suggestions by aggregating across years.

- Additionally, the SSC recommends the analysts include a brief description, if possible, of any expected changes in the timing or location of fishing effort, which could have localized stock effects.
- The SSC further suggests small changes to the text, figures and tables for clarity and readability of the document:
  - Distributional impacts are likely, as identified in the full analysis, but are not included in the abstract. Adding some detail would help readers understand that there will be losers under this change. In the abstract, the SSC suggests identifying some of the groups potentially negatively impacted:
    - In practice, this is a reallocation from the larger to the smaller vessels. The group of greater than 56' LOA and less than 60' LOA H&L or pot vessels (the proposed new <60' H&L or pot CV sector) is estimated to lose 22% of their historical average revenue (\$1.26/5.63 mil); while the less than or equal to 56' LOA H&L or pot is estimated to have an opportunity to almost double (a 98% increase based on \$1.08/1.10 million) their historical average annual revenue.
    - A set of Alaska communities identified in the main analysis.
    - The jig sector, if the suboption is not implemented.
    - There is substantial uncertainty over State fishery impacts.
  - The text related to the revenue gains and losses between the two groups of H&L or pot CVs is confusing and should be clarified.
  - An additional figure or a revised Figure 4.1, with the percentage of revenue each group has historically obtained, could help show the pattern of landings between the two H&L or pot groups.
  - The analysts might also consider:
    - Using stacked bar charts for Figures 4.1 and 4.2.
    - Clarify the average number of participating vessels <60' LOA (e.g., 27 at the start of 3.6.1; or 31 based on Table 4-1).
    - Providing a new table that separately enumerates, by gear type, the historical participation of H&L and pot vessels that would be included in the newly defined small vessel sector under options 1 and 2 as discussed during public testimony.
    - Suggestions for additional minor changes were provided directly to the analyst.

**Finally, the SSC highlights several long-term potential outcomes of the proposed alternatives that qualitatively impact the fishing opportunities associated with LLP licenses and vessel capital and are not explored in the current analysis. The SSC suggests that these potential outcomes be acknowledged in the document.** These potential outcomes may depend on additional factors such as whether Pacific cod TACs increase to previous levels. First, substantial changes to opportunities associated with LLP licenses change the value of the licenses directly affected, but also could influence other sectors. Specifically, Alternative 2 could signal to all LLP license holders that additional regulations could change their fishing opportunities and therefore permit value either directly (as in this case) or by introducing uncertainty regarding the future opportunities a permit will provide. In this case, increasing the catch available to smaller, less efficient vessels by decreasing

available catch to larger, more efficient vessels could reduce the permit value. Another potential long-term impact could be experienced by the jig sector if Pacific cod stocks recover to a level where jig fishers would fish more or all of their allocation, but instead must compete with smaller H&L or pot CVs. Finally, changing length-based access opportunities can have substantial longer-term implications for fishers both within the target fisheries as well as others not explored within the RIR. As pointed out in the analysis, vessels in either group may have incentives to try to adjust their current length if they are close to the cutoff. More broadly, as described in the analysis, many of these vessels fish in multiple fisheries, and a vessel purchase is a substantial investment with the length chosen with consideration of available fishing opportunities. Frequent regulatory changes related to length could deter more specialized capital investments, such as deterring new vessel purchases and decreasing economic efficiency or undermining safety.