Fishing Year 2012

Pacific Halibut–Sablefish IFQ Report

March 2014

Photo courtesy of Allen Butner

NOAA'S National Marine Fisheries Service, Alaska Region

P.O. Box 21668

Juneau, Alaska 99802

NMFS/AKR Contact Information

Telephone (toll free):	(800) 304-4846
Juneau local number:	(907) 586-7202
Facsimile:	(907) 586-7354
Internet Home Page:	alaskafisheries.noaa.gov
Mailing Address:	NMFS/AKR P.O. Box 21668 Juneau, Alaska 99802-1668
Street Address:	709 West 9th Street Suite 713 Juneau, Alaska 99801

Acronyms and Abbreviations

AKD	NMFS Alaska Enforcement Division; also, NMFS Office of Law Enforcement
ALT	Alaska Local Time
AWT	State of Alaska Wildlife Troopers
BSAI	Bering Sea and Aleutian Islands
CDQ	Community Development Quota
CQE	Community Quota Entities
CV	Catcher Vessel
EPIRB	(Emergency Position-Indicating Radio Beacon
FMP	Fishery Management Plan
FSD	NMFS Financial Services Division
FY	Fiscal Year
GIS	Geographic Information System
GOA	Gulf of Alaska
HS	High Sea
HRU	Hydrostatic Release Unit
IERS	Interagency Electronic Reporting System
IFQ	Individual Fishing Quota
IPHC	International Pacific Halibut Commission
JEA	Joint enforcement Agreement
LOA	Vessel Length Overall
MSA	Magnuson-Stevens Act
NMFS	National Marine Fisheries Service
NPFMC	North Pacific Fisheries Management Council
NOAA	National Oceanic and Atmospheric Administration
OLE	Office of Law Enforcement
QS	Quota Share
QSP	Quota Share Pool
RAM	Restricted Access Management Program
RB	Registered Buyer
SAR	Search and Rescue
SE	Southeast Alaska
TEC	Transfer Eligibility Certificate
TAC	Total Allowable Catch
VMS	Vessel Monitoring System

Find this online report and other NOAA Fisheries, Alaska Region, publications at alaskafisheries.noaa.gov/ram/ifqreports.htm.

The Pacific Halibut and Sablefish IFQ Report
Fishing Year 2012

(March 17, 2012–November 7, 2012)

NOAA Fisheries Service, Alaska Region
Sustainable Fisheries Division
Juneau, Alaska

November 2013

Contents

Section 1 TACs and Regulations

2012 Season

The 2012 Individual Fishing Quota (IFQ) season for halibut and sablefish (black cod) opened at noon Alaska local time (ALT) on March 17, 2012 and ended at noon ALT on November 7, 2012. This section of the report includes information on calculations of 2012 IFQ allocations, with a link to 2012 quota share (QS) use and vessel IFQ caps, and a brief overview of changes to regulations that came into effect for the 2012 fishing year.

Calculations

Annual IFQ permit amounts are calculated using a simple formula dependent on annual total allowable catch (TAC) limits (for sablefish) or catch units (halibut), a person's QS holdings, and the sum of all units issued. In this report, the portions allocated to the IFQ Program are referred to as the "IFQ TACS."

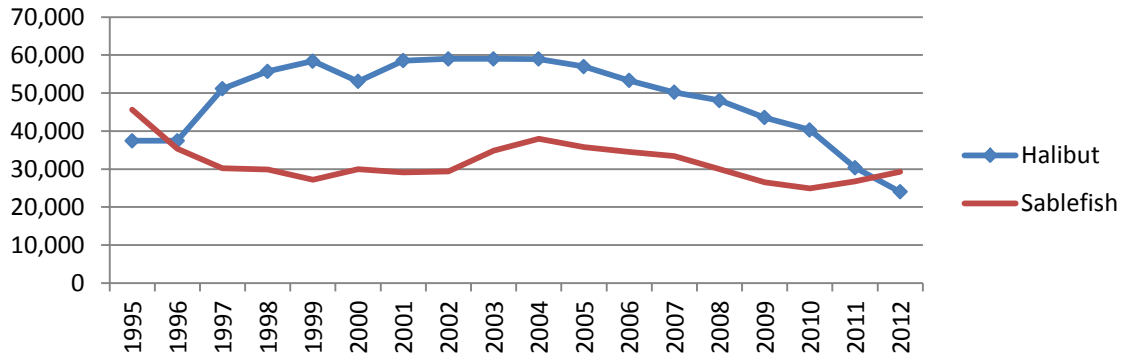
For each area in which a person holds QS, the amount of QS held is divided by the amount of all the QS issued for that area (or Quota Share Pool, QSP). The resulting fraction is then multiplied by the IFQ TAC for that area. The equation results in the number of pounds of IFQ that a person is allowed to harvest for a year, derived from QS held. Simply stated, the equation looks like this:

(QS ÷ QSP) × TAC = IFQ POUNDS

In many cases, the 2012 IFQ allocations were then adjusted slightly up or down, depending on fishing activities by the persons who fished the QS resulting IFQ the prior year. Before the 2012 season started, the NMFS adopted the annual "TAC" for halibut based on recommendations by the International Pacific Halibut Commission (IPHC). The annual sablefish TAC is based on recommendations by the North Pacific Fishery Management Council (Council). The annual permit accounts were calculated using January 31 QSPs. Website tables show those amounts and the "ratio" between the QSP and the TAC for each area; this ratio shows how many units of QS were needed to yield one pound of IFQ. Visit our website for detailed information on TACs, QS holders, QSP's, QS use, and vessel caps and more at alaskafisheries.noaa.gov/ram/ifqreports.htm#participants.

Annual IFQ TACs, 1995–2012

The total Alaskan annual IFQ TAC is the entire IFQ allocation for Alaska and does not include the Community Development Quota allocations. In this report, the portion of the TAC allocated to the IFQ Program is referred to as the "IFQ TAC." Figure 1.1 shows how halibut and sablefish TACs have fluctuated over time.



Note: Halibut TACs are shown in net (head off-gutted) pounds and sablefish are shown in round pounds

Figure 1.1 Annual IFQ TACS in thousands of pounds, 1995–2012

Regulatory Changes Effective in 2012 and 2013

Inactive QS

Since the IFQ Program regulations were first published in November 1993, numerous administrative and programmatic changes have been made through regulatory changes. In 2012 a final rule was implemented to reduce inactive QS (77 FR 29556 June 18, 2012). *Inactive QS* are QS held by persons who have never harvested their IFQ in any regulatory area and have never transferred QS or IFQ into or out of their IFQ accounts.

The final rule modified the IFQ Program by revoking QS that has been inactive since original issuance in 1995. RAM sent notices of "Inactive QS" status to 199 persons. The amount of QS affected by the revocation was 35,923 QS units or 2,075 pounds. Follow this link for more information on inactive QS.

Observer Program Restructuring in 2013

A final rule amending the current observer coverage requirements for vessels and processing plants became effective January 1, 2013 rule (77 FR 70062, published November 21, 2012). The rule applies to vessels and processors of all sizes, including the commercial halibut IFQ sector. It divides the existing observer program into two observer coverage categories: full coverage and partial coverage.

Vessels and processors in the full observer coverage category are required to have at least one observer at all times. The full observer coverage category will retain the current funding and observer deployment system. Vessel and processors in this category will continue to contract directly with observer-provider companies and pay the full cost of their own observer coverage.

If selected, vessels and processors in the partial observer coverage will have to comply with observer requirements. The partial observer coverage category will have a new funding and deployment system. This category will pay a fee for their observer coverage, based on the ex-vessel value of their groundfish and halibut. The fee for each landing will be split between vessel owners and processors, with processors remitting the fee liability to NOAA Fisheries through an annual billing.

The new funding and deployment system allows NOAA Fisheries to determine when and where to deploy observers according to management and conservation needs. This action is necessary to resolve data quality and cost equity concerns with the Observer Program's previous structure.

For additional information on the North Pacific groundfish and halibut observer program see the following link: http://alaskafisheries.noaa.gov/sustainablefisheries/observers/

Bringing in halibut in Area 2C

Credit: Klas Stolpe

Section 2 The 2012 IFQ Season in Review

Permits and Landings

During the 2012 IFQ season, IFQ permit holders reported 4,088 vessel landings of IFQ halibut and 1,968 vessel landings of IFQ sablefish. Approximately 97 percent of the IFQ halibut TAC and 91 percent of the IFQ sablefish TAC were harvested. The following tables display the total vessel landings by species, regulatory area, and IFQ pounds as reported by Registered Buyers. Halibut Area 4E is excluded because 100 percent of the TAC is allocated to the Community Development Quota (CDQ) fishery in that area.

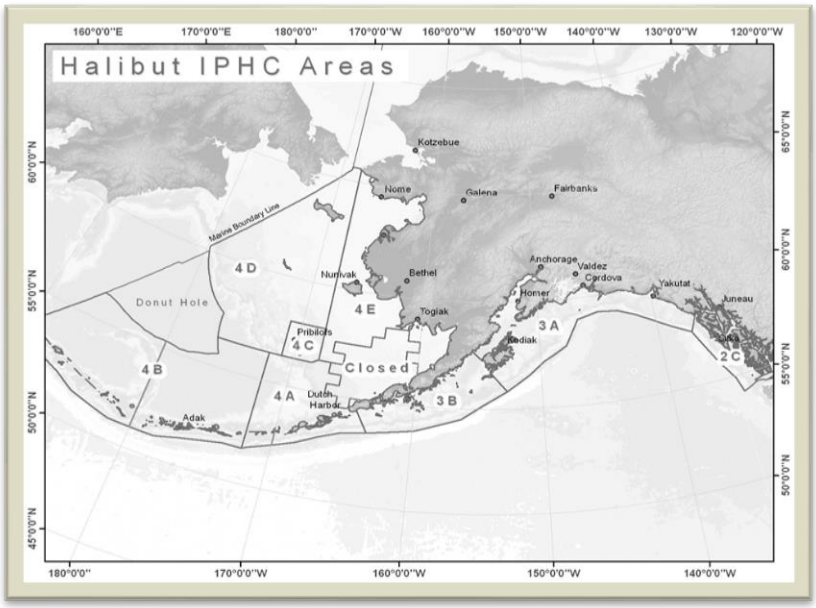


Figure 2.1 Halibut IFQ Regulatory Area

Table 2.1 2012 IFQ halibut allocations and fixed-gear IFQ landings

Area	Vessel Landings[a]	Area IFQ TAC[b]	Total Harvest[c]	Percent Harvested[d,e]
2C	1,220	2,624,000	2,527,098	96
3A	1,818	11,918,000	11,688,097	98
3B	622	5,070,000	4,990,671	98
4A	202	1,567,000	1,544,024	99
4B	128	1,495,200	1,370,408	92
4C/4D	98	1,328,827	1,207,051	91
Total	***4,088***	***24,003,027***	***23,327,349***	***97***

[a] Vessel landings include the number of reported landings by participating vessels reported by IFQ regulatory area; each such landing may include harvests from multiple IFQ permitholders.
[b] Halibut weights are in net (headed and gutted) pounds.
[c] These tables exclude at-sea discards.
[d] Due to over- or underharvest of TAC and rounding, percentages may not total 100 percent.
[e] Permitholders may fish IFQ designated for Area 4C in either Areas 4C or 4D. Landings in these areas have been combined because Area 4C allocation may be fished in Area 4C or Area 4D. Harvest is debited from the account for the reported harvest area, but the combination in this report is a better representation of activity in the 4C/4D areas.

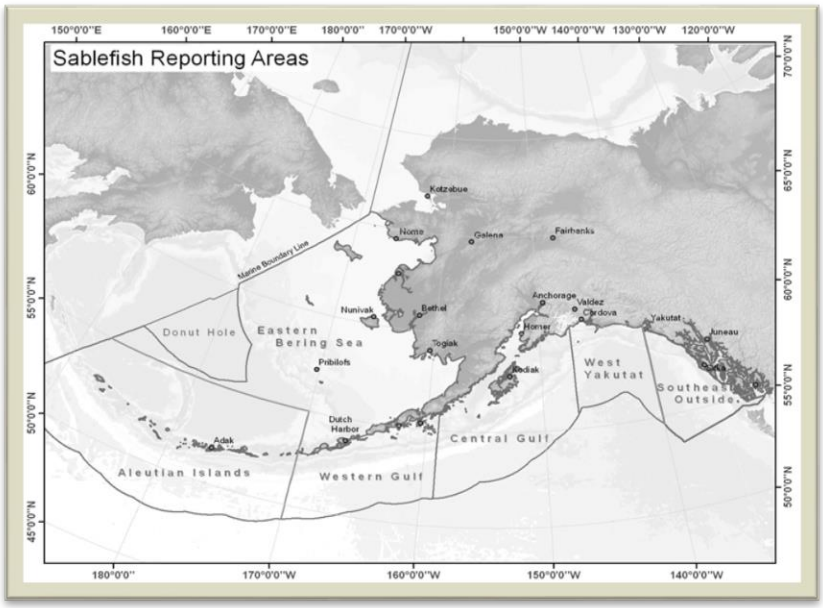


Figure 2.2 Sablefish IFQ Regulatory Areas

Table 2.2 2012 IFQ sablefish allocations and IFQ landings

Area	Vessel Landings[a]	Area IFQ TAC[b]	Total Harvest[c]	Percent Harvested[d]
AI	109	2,710,776	1,806,116	67
BS	157	1,966,503	1,052,697	54
CG	656	10,158,797	9,762,447	96
SE	608	6,995,196	6,878,168	98
WG	202	3,139,350	2,806,219	89
WY	236	4,356,290	4,237,514	97
Total	***1,968***	***29,326,912***	***26,543,161***	***91***

[a] Vessel landings include the number of reported landings by participating vessels reported by IFQ regulatory area. Each such landing may include harvests from multiple IFQ permitholders.

[b] Sablefish weights are in round pounds.

[c] These tables exclude at-sea discards.

[d] Due to over-or underharvest of TAC and rounding, percentages may not total 100 percent.

Rate of IFQ Harvest

Figure 2.3 displays the rate of IFQ halibut harvest in 2012 and averaged by month for the years 1995-2012.

Although season dates have varied over the years, the monthly harvest rate has been consistent since the program's inception in 1995. The 2012 the monthly halibut harvests (percent of total landings) from June through October were higher than the IFQ Program monthly averages. However, in the early season (March, April, and May), the IFQ Program averages monthly harvests were higher.

Halibut

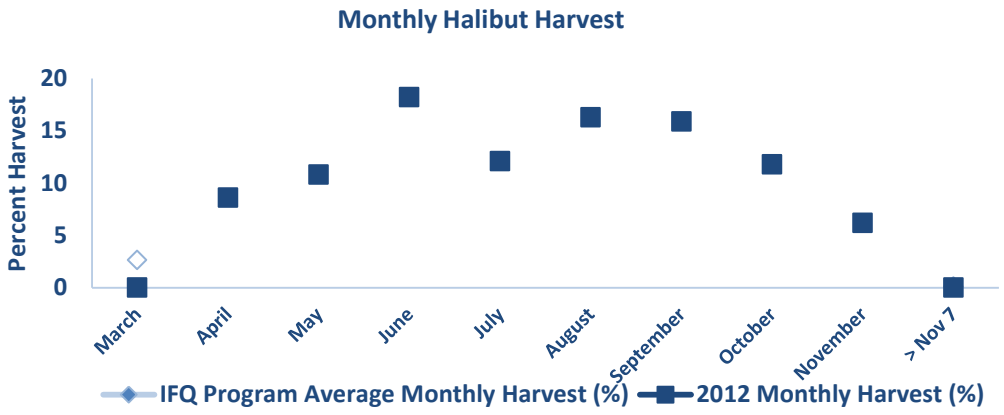


Figure 2.3 2012 Monthly Halibut Harvest (%) and Average Monthly IFQ Halibut Harvest (1995–2012)

Sablefish

Figure 2.4 shows that the pattern and rate of IFQ sablefish harvest by month for the IFQ fishing years are similar to those of halibut. Again, the percent harvested by month has been consistent since 1995, although season dates varied. In May the average monthly harvests of sablefish surpassed the 2012 monthly sablefish harvest (percent of total landings). During the remainder of the season, this year's monthly harvests remained slightly higher, compared to the average.

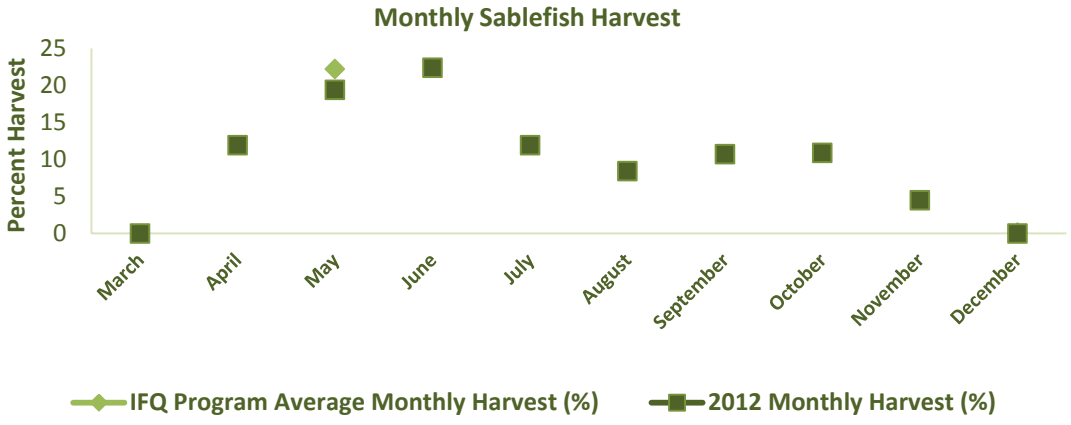


Figure 2.4 2012 Monthly Sablefish Harvest (%) and Average Monthly IFQ Sablefish Harvest (1995–2012)

Alaska's Top IFQ Ports

Figure 2.5 displays the Alaska ports in which IFQ halibut and IFQ sablefish were landed in 2012. In 2012 Kodiak rose from second port to first in halibut landings, leaving Homer in second position. The other top ports remained unchanged from prior years

For sablefish, the landings have remained relatively constant over past seasons, with Seward holding the top spot for the eighteenth year in a row. During 2012 Kodiak rose from third port to second and third-ranked port is Sitka. In 2012, Dutch Harbor/Unalaska regained its standing as fourth-ranked port and Yakutat is fifth.

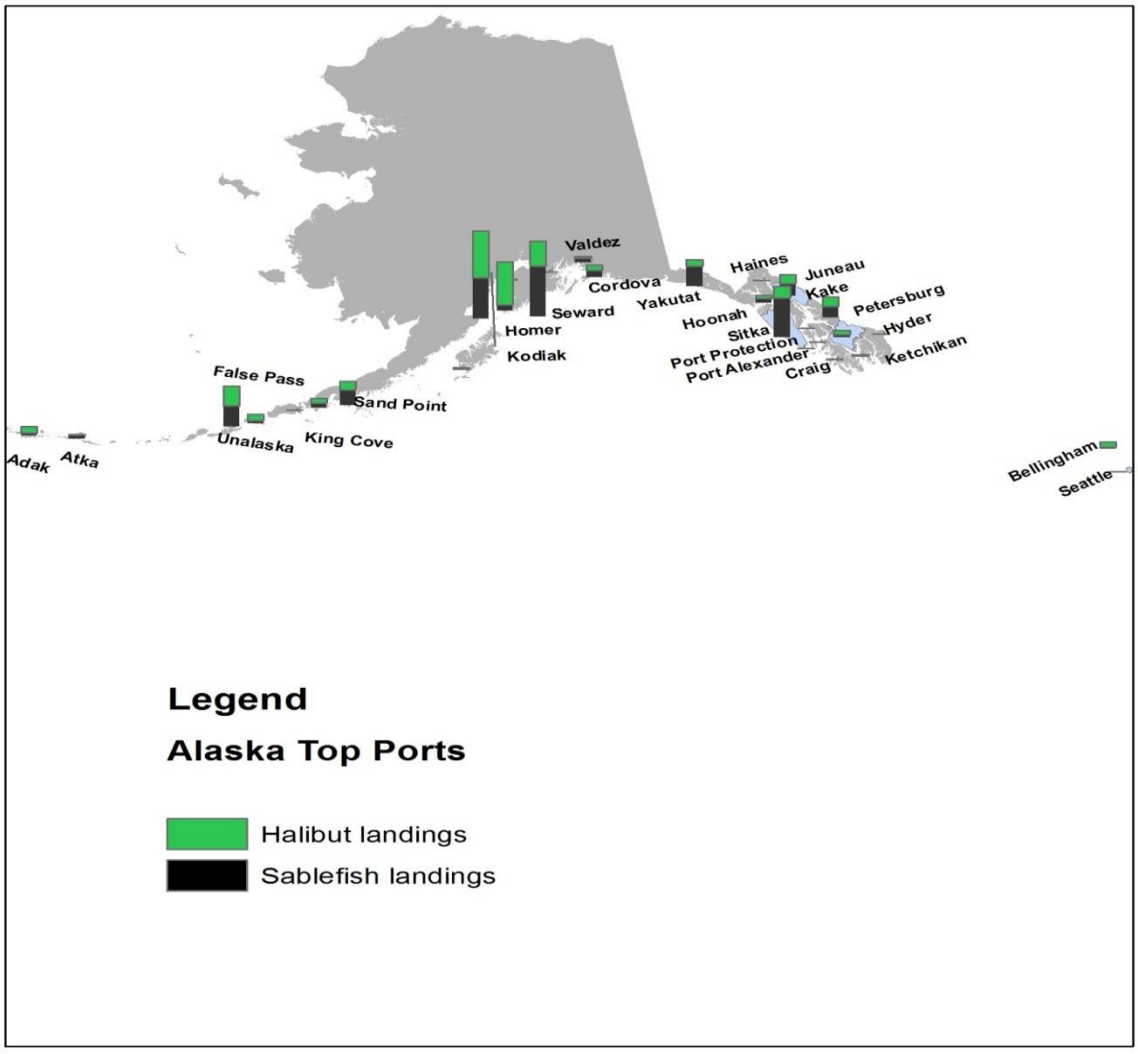


Figure 2.5 shows the 2012 landings for IFQ halibut and sablefish by port.

Hired Skipper (Hired Master) Activity

A central policy of the IFQ Program is to promote an owner on board fleet. This policy applies to catcher-vessel QS/IFQ in categories B, C, and D, but not to category A ("freezer vessel") QS/IFQ, which may be leased without restriction. Except in a few highly specific leasing situations, the IFQ Program is designed so that eventually all catcher vessel IFQ will be fished by the QS/IFQ holders themselves. As individuals leave the fishery and as corporations and partnerships dissolve or change over time, new entrants who take their place must be onboard when the fish are caught. With such regulatory requirements, it is inevitable that over time there will be an increasing number of individual QS holders who are not authorized to hire Skippers to fish their IFQ. By both consolidation and regulation, eventually all catcher vessel QS/IFQ will be held by persons who must be onboard during harvest of their IFQ.

The IFQ Program does provide that initial recipients of IFQ may (and non-individuals must) designate an "IFQ Hired Master" (referred to as a "Hired Skipper" or "Skipper") to harvest their annual IFQ. Under regulations established in 1998, an IFQ permitholder may not hire a Skipper unless the IFQ permitholder holds an ownership interest of at least 20 percent of the vessel upon which the IFQ is to be fished by that Skipper (an exception to this rule results in a small number of permitholders being allowed to hold less than 20 percent).

A General Look at Hired Skipper Activity

The Hired Skipper activities are reported as the total amount of landings by Hired Skippers, expressed in absolute numbers and as a percent of the IFQ TAC. This represents total Skipper activity for all IFQ permitholders and QS/IFQ types. Using that approach for the 2012 IFQ season, overall, 318 distinct skippers participated in the IFQ fisheries for both species in all areas and QS categories. Of these skippers, 274 persons harvested 10,931,799 pounds of IFQ halibut (head off, gutted), which was approximately 47 percent of the entire IFQ TAC. Also during the season, 193 Hired Skippers harvested 16,675,603 pounds of sablefish (round weight), approximately 63 percent of the IFQ TAC.

Table 2.3 displays the numbers of Hired Skippers who fished during 2012 by species, area, TAC, IFQ pounds, and percent of TAC landed. This table includes all types of quota, whether or not fished by a Hired Skipper. Individuals who initially received QS may not hire a skipper to fish their IFQ permit in Area 2C (halibut) or SE (sablefish), although they may for other areas. Although these data include QS of all categories, the data are not additive across areas because some skippers fished in more than one area for the same or other IFQ permitholders.

Table 2.3 Summary of Hired Skipper IFQ landings with TAC and numbers of Skippers and hirers during 2012 by species and area[a]

Species /Area[a,b,c]	Number of Hired Skippers	Number of Hirers	Total Skipper IFQ Pounds Landed[d]	Average IFQ Pounds per	IFQ TAC	Total Skipper % TAC	Total IFQ Landed	% total skipper IFQ pounds landed
Halibut 2C	27	29	58,222	2,156	2,624,000	2.2%	2,527,098	2.3%
3A	211	259	5,487,038	26,005	11,918,000	46.0%	11,688,097	46.9%
3B	144	158	3,001,063	20,841	5,070,000	59.2%	4,990,671	60.1%
4A	50	64	811,580	16,232	1,567,000	51.8%	1,544,024	52.6%
4B	32	36	871,470	27,233	1,495,200	58.3%	1,370,408	63.6%
4C/ 4D[a,b]	22	26	702,426	31,928	1,328,827	52.9%	1,207,051	58.2%
Totals: Halibut	274	312	10,931,799	39,897	24,003,027	45.5%	23,327,349	46.9%
Sablefish AI	27	32	1,287,407	47,682	2,710,776	47.5%	1,806,116	71.3%
BS	37	31	754,879	20,402	1,966,503	38.4%	1,057,310	71.4%
CG	132	146	8,089,338	61,283	10,158,797	79.6%	9,762,447	82.9%
SE	44	47	1,320,261	30,006	6,995,196	18.9%	6,878,168	19.2%
WG	57	69	2,290,462	40,184	3,139,350	73.0%	2,806,219	81.6%
WY	79	97	2,927,139	37,052	4,356,290	67.2%	4,237,514	69.1%
Totals: Sablefish	193	201	16,675,603	86,402	29,326,912	56.9%	26,547,774	62.8%

[a] Area 4C can be fished in 4D, which accounts for irregular percentages in these areas.
[b] Areas 4C and 4D are combined due to confidentiality.
[c] Area 4E has no IFQ allocation
[d] This includes hired skipper landings only and not include the hired skippers QS holdings.

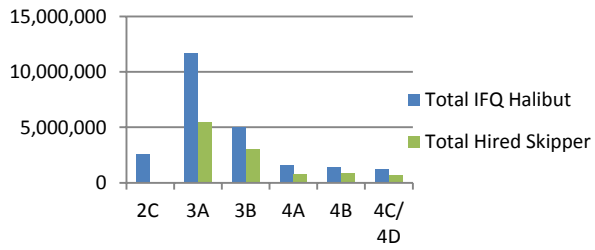


Figure 2.6 Total halibut and Hired skipper landings

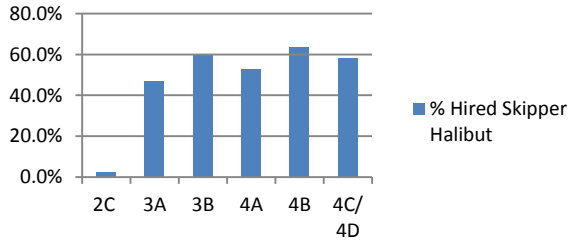


Figure 2.7 Total percent of halibut skipper landed

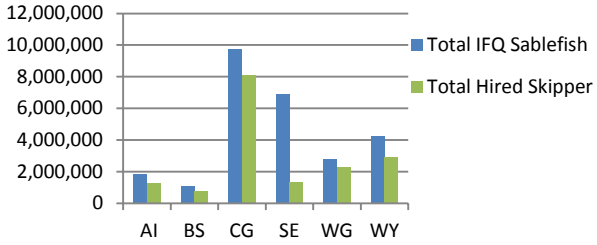


Figure 2.8 Total sablefish and Hired skipper landings

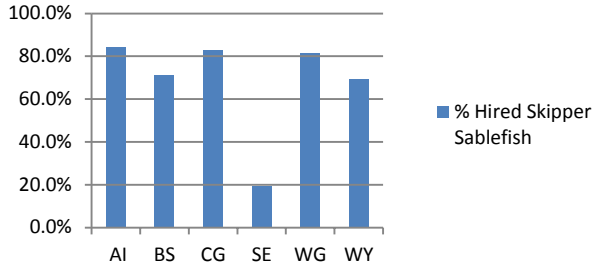


Figure 2.9 Total percent of sablefish skipper landed

Skipper Characteristics

In this section we look at some general characteristics of the skippers themselves. Some skippers have been QS/IFQ holders in their own right, some were at least part owners of the vessels on which they were hired to fish another person's IFQ, and some have been shareholders, partners, or other "owners" of the non-individual QS holding entity that hired them. Ownership was examined only to the "first level" of ownership; in reality, these relationships are often complex, spanning multiple "levels" for any person and vessel. As a result, vessel and quota ownership by skippers and, therefore, material participation and investment in IFQ fisheries are likely underestimated.

Table 2.4 Catcher Vessel (CV) Category B, C, and D QS holders, their ability to hire skippers, and their percentages of the CV QS pool as of the end of 2012.

Species	Number of persons	"Must hire" persons as percent of total B, C, D holders	Percent B, C, and D QS pool held by "must hire"persons	Number of persons who may hire Skippers	"May hire" persons as percent of total B, C, D holders	Percent B, C, and D QS pool held by "may hire" persons	Number of persons who may not hire	"May not hire" persons as percent of total B, C,	Percent B, C, and D QS pool held by "may not hire" persons	Total number of B, C, D QS hold-
2012	**Nonindividuals**			**Individual Initial Recipients (not 2C and SE)**			**Crewmembers or 2C and SE**			
Halibut	116	4.6	18.7	915	36.2	38.9	1,494	59.2	42.4	2,525
Sablefish	76	9.8	26.2	242	31.4	32.8	454	58.8	41.1	*772*

Figure 2.10 Halibut QS holder ability to hire skippers

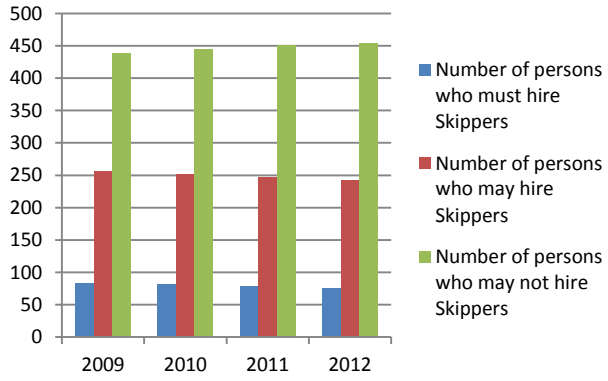


Figure 2.11 Sablefish QS holder ability to hire skippers

Hired Skippers as Holders of QS

Individuals

Over time, increasing numbers of Hired Skippers hold their own QS and may fish it separately at a different time from when they fish as a Hired Skipper. Tables 2.5 and 2.6 show the number and percent of Hired Skippers that hold and do not hold QS that are hired by individual QS holders from 2000 through 2012. Their QS may be of any kind and is not limited to one species; they may fish both halibut and sablefish. Note that skippers fishing IFQ halibut cannot be hired by individual initial issuees to fish Area 2C and those skippers fishing for IFQ sablefish cannot be hired by individual initial issuees to fish Southeast Alaska (SE). Table 2.5 shows that by the end of 2012, of those Hired Skippers hired by individuals to fish B, C, and D halibut QS, 70 percent held their own QS. Similarly, Table 2.6 shows that by the end of 2012, of those Hired Skippers hired by individuals to fish B and C sablefish QS, 73 percent held their own QS.

Table 2.5 Hired Skippers hired by individuals to fish B, C, and D shares and who held their own QS[a], as of each year-end, 2000–2012. Hired Skippers' QS could be of either species.

Species	Year	Total number of individual holders of B, C, D QS other than 2C/SE	Total Number of Skippers hired by individuals to fish B, C, D QS	Number of Skippers hired holding QS of any kind	Percent of Skippers hired holding QS of any kind	Numbers of Skippers hired not holding QS	Percent of Skippers hired not holding QS
Halibut	2000	1,722	136	80	58.8	56	41.2
	2001	1,634	147	88	59.9	59	40.1
	2002	1,575	148	96	64.9	52	35.1
	2003	1,506	160	117	73.1	43	26.9
	2004	1,413	150	105	70.0	45	30.0
	2005	1,354	175	120	68.6	55	31.4
	2006	1,294	185	128	69.2	57	30.8
	2007	1,211	188	133	70.7	55	29.3
	2008	1,119	197	138	70.0	59	30.0
	2009	1,076	211	143	67.8	68	32.2
	2010	1,041	217	150	61.9	67	30.9
	2011	998	211	152	72.0	59	28.0
	2012	902	206	145	70.3	61	29.6

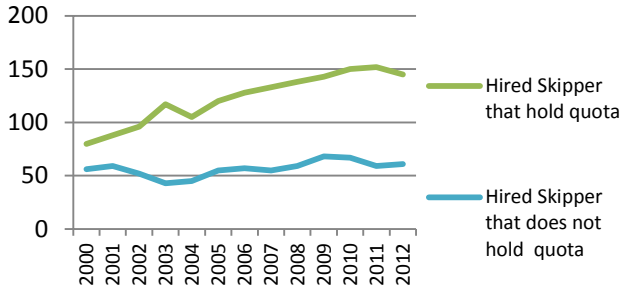


Figure 2.12 Number of HS that hold QS

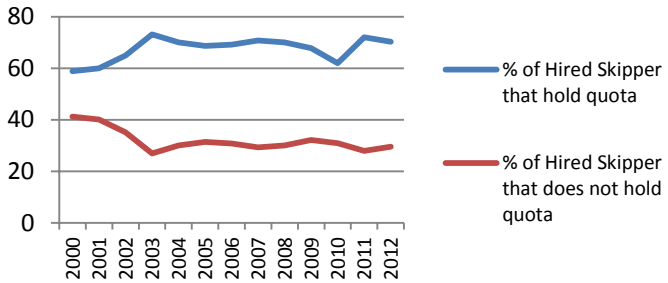


Figure 2.13 Percent of HS that that hold QS

Table 2.6 Hired Skippers hired by individuals to fish B and C shares and who held their own QS[a], as of each year-end, 2000–2012

Species	Year	Total number of individual holders of B, and C QS other than 2C/SE	Total Number of Skippers hired by individuals to fish B, and C QS	Number of Skippers hired holding QS of any kind	Percent of Skippers hired holding QS of any kind	Numbers of Skippers hired not holding QS	Percent of Skippers hired not holding QS
Sablefish	2000	334	77	51	66.2	26	33.8
	2001	325	80	54	67.5	26	32.5
	2002	314	83	60	72.3	23	27.7
	2003	299	97	71	73.2	26	26.8
	2004	291	94	64	68.1	30	31.9
	2005	277	103	74	71.8	29	28.2
	2006	270	112	81	72.3	31	27.7
	2007	263	110	83	75.5	27	24.5
	2008	258	112	81	72.3	31	27.7
	2009	253	126	87	69.0	39	31.0
	2010	247	127	92	72.4	35	27.6
	2011	239	126	95	75.4	31	24.6
	2012	241	129	94	72.8	35	27.1

[a] Hired Skippers' QS could be of either species.

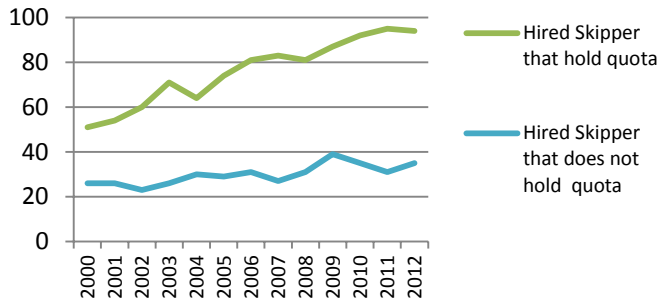


Figure 2.14 Number of HS that hold QS

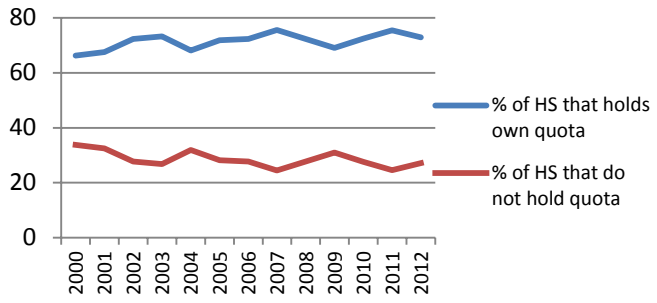


Figure 2.15 Percent of HS that that hold QS

Nonindividuals

Tables 2.7 and 2.8 show the number and percent of Hired Skippers QS who held their own QS at year-end that were hired by non-individual halibut and sablefish QS holders respectively. In 2012, the percent of skippers who held their own QS and were hired to fish another QS holder's halibut QS was 52.1 percent. The percent of skippers who held their own QS and were hired to fish sablefish QS was 58.3 percent.

Table 2.7 Number and percent of Hired Skippers who held any type of QS[a] that were hired by non-individual halibut QS holders to fish B, C, and D halibut QS, as of each year-end, 2000–2012.

Species	Year	Total number of nonindividual holders of B, C, D QS	Total Number of Skippers hired by nonindividuals to fish B, C, D QS	Number of Skippers hired holding QS of any kind	Percent of Skippers hired holding QS of any kind	Numbers of Skippers hired not holding QS	Percent of Skippers hired not holding QS
Halibut	2000	184	178	83	46.6	95	53.4
	2001	175	193	86	44.6	107	55.4
	2002	170	197	90	45.7	107	54.3
	2003	160	188	87	46.3	101	53.7
	2004	155	189	90	47.6	99	52.4
	2005	149	191	100	52.4	91	47.6
	2006	145	200	100	50.0	100	50.0
	2007	139	186	100	53.8	86	46.2
	2008	128	175	97	55.4	78	44.6
	2009	126	167	89	53.3	78	46.7
	2010	123	162	84	51.9	78	48.1
	2011	119	159	87	54.7	72	45.3
	2012	116	169	88	52.1	81	47.9

[a] Hired Skippers' QS could be of either species.

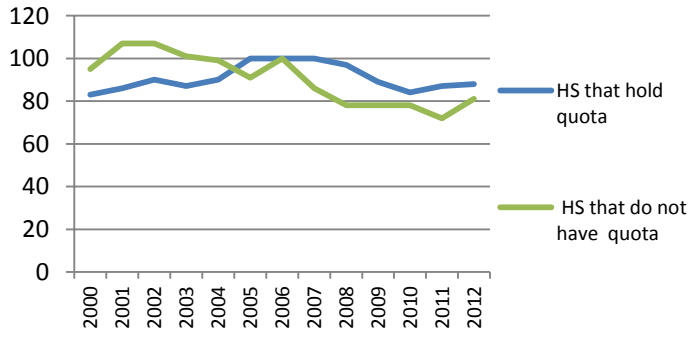


Figure 2.16 Number of HS that hold QS

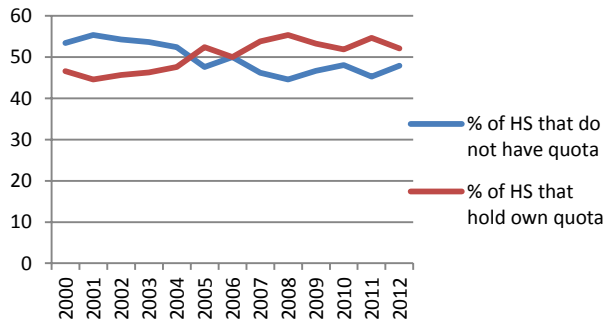


Figure 2.17 Percent of HS that that hold QS

Table 2.8 Number and percent of Hired Skippers who held any type of QS[a] that were hired by non-individuals to fish B and C sablefish QS , as of each year-end, 2000–2012

Species	Year	Total number of nonindividual hold-ers of B and C QS	Total Number of Skippers hired by nonindividuals to fish B and C QS	Number of Skippers hired holding QS of any kind	Percent of Skippers hired holding QS of any kind	Numbers of Skippers hired not holding QS	Percent of Skippers hired not holding QS
Sablefish	2000	119	130	64	49.2	66	50.8
	2001	114	139	63	45.3	76	54.7
	2002	111	135	66	48.9	69	51.1
	2003	105	130	61	46.9	69	53.1
	2004	102	129	63	48.8	66	51.2
	2005	98	130	73	56.2	57	43.8
	2006	95	132	72	54.5	60	45.5
	2007	88	120	69	57.5	51	42.5
	2008	84	113	63	55.8	50	44.2
	2009	82	113	61	54.0	52	46.0
	2010	81	114	61	53.5	53	46.5
	2011	78	112	66	58.9	46	41.1
	2012	76	115	67	58.3	48	41.7

[a] Hired Skippers' QS could be of either species.

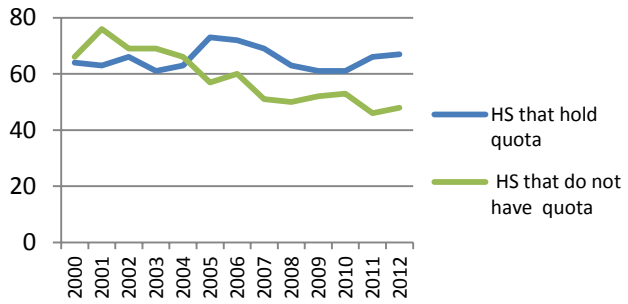


Figure 2.18 Number of HS that hold QS that were hired by nonindividuals by year

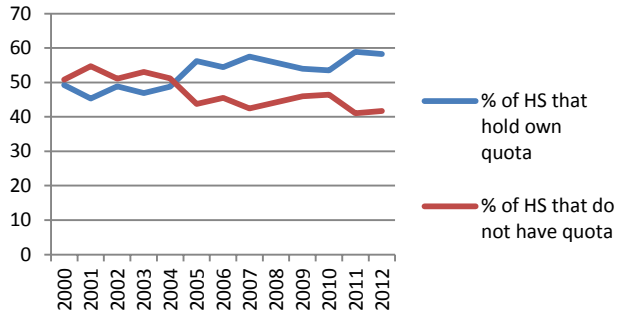


Figure 2.19 Percent of HS that that hold QS that were hired by nonindividuals by year

Trends in Hired Skipper Activity

Over the years, some trends are clear: the number of both non-individual and individual QS holders who are eligible to hire skippers has been declining through attrition while the reliance on Hired Skippers has increased. The latter is evident by the higher percentages of hirers and Hired Skipper harvests and QS holdings. Additionally, Hired Skippers have a substantial ownership in both vessels they used to fish for others and entities for which they fish.

Conclusion

The ability to hire a skipper to fish category B, C and D IFQ remains an important element of the IFQ Program for participants, despite conflicting with the Council's objective of an owner- operated fleet. Under current and proposed regulations, this practice will eventually disappear as QS/IFQ holders are replaced by new entrants who are required to be onboard when the IFQ is harvested and a requirement for all transferred QS after February 12, 2010 be fished by IFQ holders while onboard the vessel. Until that happens, it appears that an increasing percentage of the annual IFQ will be harvested by persons other than the QS/IFQ holder even though many such persons are owners of the entities that "hire" them, of the vessels they use for skipper activities, or are IFQ holders and active fishermen in their own right. These trends of attrition of initial recipients and increased use of Hired Skippers may be slowed by some program restrictions recommended by the Council that (a) tighten vessel ownership requirements and (b) disallow use of Hired Masters for category B, C and D QS transferred after February 12, 2010.

Effects of Under- and Overfishing Adjustments of Annual IFQ Permits on Future Year Permits

IFQ regulations provide for administrative adjustment of IFQ permits as a result of under- and overfishing the prior year. If IFQ pounds remain unfished, a regulatory provision allows up to 10 percent of the pounds remanding at the time of landing may be carried over to the following year. If a person exceeds an IFQ permit by a 10%, the next year the holder of the QS may see a deduction in their permit account. If the overage exceeds 10%, this would require enforcement action without future administrative adjustment. NMFS applies administrative adjustments at the beginning of each fishing year when annual IFQ accounts are created and IFQ pounds are allocated to QS holders. Administrative adjustments "follow the QS" so that the adjustment is computed for the permit of the person who, at the beginning of a year, holds the QS associated with the IFQ that was under- or overfished the prior year.

The following tables show the net adjustments to 2012 IFQ halibut and sablefish permits from under- and overfished IFQ pounds during 2011, including adjustment averages from 1996 through 2012. "Net adjustment" is the sum of all credits and debits applied to all IFQ permits.

In every year since the beginning of the program, adjustments from underages (including permits entirely unfished) have exceeded those from overages, resulting in net positive adjustments to IFQ permits. In 2012 this trend continued; had all additional adjustment pounds been harvested with no underfishing, the allotted annual IFQ TAC would have been exceeded by two percent, as indicated in the tables.

Table 2.9 Net Adjustments to IFQ halibut permits with yearly averages, derived from under- and overfishing of prior year permits

Halibut[b] All areas net adjustment	478,130	807,742
All areas annual IFQ TAC	24,003,027	49,292,613
All areas percentage by which TAC could be exceeded	2%	1.6%

[a] The IFQ Program started in 1995; the first adjustments were made to 1996 annual IFQ permits.

[b] Halibut data are in net weight (head off, gutted) pounds.

Table 2.10 Net Adjustments to IFQ sablefish permits with yearly averages, derived from under- and overfishing of prior year permits

Sablefish[b] All areas net adjustment	623,995	628,695
All areas annual IFQ TAC	29,326,912	30,882,607
All areas percentage by which TAC could be exceeded	2%	2%

[a] The IFQ Program started in 1995; the first adjustments were made to 1996 annual IFQ permits. The 1996 adjustment data for sablefish are not available.

[b] Sablefish data are in round weight pounds.

Registered Buyers

All IFQ landings are required to be reported by a person holding a Registered Buyer permit issued by NMFS. An IFQ Registered Buyer (RB) must report landings of IFQ halibut and sablefish. Table 2.11 displays the numbers and types of RB permits issued by NMFS/RAM for 2012 and the number of RBs that reported landings this fishing season. RBs must obtain a permit for catcher-processors, each mothership, or stationary floating processor and facility at which IFQ fish or CDQ halibut is received. Many RBs hold more than one permit. RAM issued 31 more permits in 2012 than in 2011. Twenty-one percent of permitholders were active in 2011, compared with 25 percent in 2011, 28 percent six years ago (2006), and 32 percent thirteen years ago (1999).

Table 2.11 Type and number of Registered Buyer (RB) permits and permitholders with landings, 2012

Type of RB[a]	Permits Issued	Permits with Landings	Percent Permits with Landings	Number Distinct Permitholders	Number Distinct Permitholders with Landings[b]	Percent RB Permitholders with Landings[b]
Buyer-Broker	87	41	47	78	18	23
Catcher-Processor	75	25	33	63	8	13
Catcher-Seller	238	42	18	226	25	11

Mothership	3	1	33	3	0	0
Other	81	23	28	82	15	18
Restaurant	12	7	58	12	1	8
Retail	38	24	63	36	13	36
Shoreplant	106	68	64	69	38	55
Tender	11	7	64	10	1	10
Total (not additive)	***493***	***119***	***24%***	***421***	***87***	***21***

[a] Permit applicants select all relevant "Types of Registered Buyer" operations; as a result, numbers are not additive across types.
[b] Because percentages are rounded, they may differ slightly from actual data.

During 2012, ten fewer RB permits were used to report halibut landings than in 2012 (one fewer permit in the number of sablefish permits with landings), and the reported mean pounds per permit decreased for halibut and increased for sablefish (a 36,577 IFQ pound decrease for halibut; a 87,855 IFQ pound increase for sablefish). Table 2.12 shows the number of RB permits with landings in 2012 and the season's mean pounds for both species. The table also shows the number of permitholders with landings and their mean IFQ pounds.

Table 2.12 Mean IFQ landings per RB permit and permitholder by species, 2012

Species	Registered Buyer Permits with Landings	Mean IFQ Pounds per Permit	Distinct RB Permitholders with Landings	Mean IFQ Pounds
Halibut	95	245,551	77	302,953
Sablefish	58	457,720	41	647,507

E LANDINGS

Registered Buyers must report IFQ landings electronically using the Internet (with permission, a backup paper submission system is available for contingencies such as system outages). Real-time accounting of individual harvests contributes significantly to accurate and timely management of each IFQ holder's IFQ accounts and supports inseason transfers. Of two Internet systems available, the more comprehensive Interagency Electronic Reporting System (IERS) and its data-entry component, eLandings, is the standard reporting method.

The largest change in reporting methods took place in 2008, when reporting through IERS jumped to 96 percent from 61 percent due to NMFS outreach through several statewide workshops. During 2012, outreach and interagency coordination continued as several staff on the eLandings team provided training to CDQ groups and met with field staff from Alaska Department of Fish and Game (ADF&G) and the IPHC to coordinate reporting and record-keeping issues, data query tools, and user support for eLandings.

In 2012, Registered Buyers reported 96% of the IFQ harvest electronically which has made the data collection more efficient and accurate.

Section 3 The 2012 IFQ Season by the Numbers

Introduction

One way of assessing the performance of a program that restricts access to fisheries is to quantify as many elements as possible and report these data to the fleet, the public, fisheries managers, and policymakers. That is this section's purpose.

Quite simply, these data reflect the decisions of thousands of quota shareholders—decisions to buy or sell quota share, to fish or join with other quota shareholders on a vessel. We report these data generally without comment, allowing the numbers to speak for themselves.

On the following pages, we present information on changes in halibut QS holdings consolidation of quota shareholders and vessels, "IFQ crewmembers" that have entered the fishery after the IFQ Program began, vessel participation, and updates from the North Pacific Loan Program.

Tables 3.1 and 3.2 illustrate the transfer of QS/IFQ between Alaskans and Non-Alaskans. The distributive effects have not been dramatic (at least with respect to net gains and losses of QS/IFQ by Alaskans compared to Non-Alaskans). Additional information on changes in QS holdings and consolidation in the halibut and sablefish fisheries is on our website at alaskafisheries.noaa.gov/ram.

Table 3.1 Changes in halibut QS holdings between initial issuance and year-end 2012[a]

Area	Initially Issued[a]				Held at Year-end 2012			
	Alaskan[b]		Non-Alaskan[b]		Alaskan		Non-Alaskan	
	Number of Persons	QS Units	Number of Persons	QS Units	Number of Persons	QS Units	Number of Persons	QS Units
2C	1,971	49,265,458	418	10,303,434	876	49,252,716	191	10,283,077
3A	2,436	118,598,696	637	66,893,737	1,003	111,950,439	343	72,943,765
3B	780	28,061,266	278	26,455,137	324	28,213,982	153	25,987,333
4A	377	7,069,344	156	7,565,095	131	7,440,465	76	7,145,546
4B	80	3,242,733	73	6,050,658	51	4,305,301	40	4,979,473
4C	48	2,199,603	33	1,816,749	29	1,605,446	24	2,410,906
4D	22	665,856	47	4,257,782	13	1,298,570	34	3,659,680
4E	98	127,392	6	12,607	84	117,285	12	22,307
Total unique persons[c]	***3,976***		***855***		***2,009***		***565***	

[a] "Initially Issued" means QS that was initially issued to its first holder. Initial issuance was accomplished primarily at the beginning of the IFQ Program but continued because of adjudicated appeals.

[b] Designation of "Alaskan" or Non-Alaskan" is premised on holders' self-reported business mailing address; NMFS/RAM makes no effort to verify residency. Changes over time between "Alaskan" and "Non-Alaskan" QS holdings result from QS transfers and QS holders' address changes. Persons with unknown addresses are excluded from this table.

[c] The number of QS holders is not additive across areas or species. "Total Unique Persons" represents the unique number of QS holders for each species.

Note that these tables reflect the reduction of 199 inactive QS holders.

Table 3.2 Changes in sablefish QS holdings between initial issuance and year-end 2012[a]

Area	Initially Issued[a]				Held at Year-end 2012			
	Alaskan[b]		Non-Alaskan[b]		Alaskan		Non-Alaskan	
	Number of Persons	QS Units	Number of Persons	QS Units	Number of Persons	QS Units	Number of Persons	QS Units
AI	49	7,112,625	87	24,405,551	36	7,992,913	53	23,939,579
BS	63	7,111,748	82	11,514,928	48	9,721,212	54	9,044,068
CG	396	43,441,061	248	68,103,400	206	43,232,213	167	68,454,409
SE	467	42,775,495	249	23,822,984	268	43,461,895	138	22,658,724
WG	108	8,523,936	125	27,562,419	65	8,948,371	96	27,081,208
WY	251	18,495,325	206	34,975,111	113	19,434,641	125	33,831,789
Total unique persons[c]	***721***		***334***		***511***		***327***	

[a] "Initially Issued" means QS that was initially issued to its first holder. Initial issuance was accomplished primarily at the beginning of the IFQ Program but continued because of adjudicated appeals.

[b] Designation of "Alaskan" or Non-Alaskan" is premised on holders' self-reported business mailing address; NMFS/RAM makes no effort to verify residency. Changes over time between "Alaskan" and "Non-Alaskan" QS holdings result from QS transfers and QS holders' address changes. Persons with unknown addresses are excluded from this table.

[c] The number of QS holders is not additive across areas or species. "Total Unique Persons" represents the unique number of QS holders for each species.

Medical Transfers

Beginning in September 2007, individuals holding QS in categories B, C or D (Catcher Vessel QS) that are eligible to hire a skipper may lease their annual IFQ if they (or an immediate family member) have a medical condition that is preventing them from fishing. This provision is intended as a temporary measure to allow IFQ to be harvested while the QS holder is unable to participate in the fishery. A written declaration from a medical professional is required, and the number of times a person may use a medical transfer for the same medical condition is limited. In evaluating use of this provision, NMFS considers all transfers of a QS holder's IFQ in the same year for the same medical condition to be one "use" of the provision.

Initial Recipients Using the Medical Lease Provision, 2007–2012

Although medical transfers are small in number, a substantial percentage of persons who have used medical transfers are initial recipients of QS not otherwise eligible to use a Hired Master (that is, those who held QS only in 2C or SE or did not own a suitable vessel); the remainder are second generation QS holders. During 2012, 13 initial recipient transferors held QS besides 2C and/or Southeast and had 23 percent of all medical transferors of catcher vessel (CV) IFQ.). During 2011 21 initial recipient transferors held QS besides 2C and/or Southeast and composed nearly 33 percent of all medical transferors of catcher vessel (CV) IFQ . In 2010, 24 initial recipient transferors held QS besides 2C and/or Southeast, almost 39 percent of all medical transferors of CV IFQ. Since 2007 (a partial medical lease year), medical transfers by initial recipients have increased. NMFS/RAM anticipates that eligible initial recipients will continue using the limited IFQ medical lease provision to fish their CV IFQ during short-term medical needs as that population ages.

Tables 3.3 through 3.5 provide numbers and types of medical leases, transfers, transferors, and uses of medical leases. Specifically, Table 3.3 provides the number of leases and distinct transferors and transferees since the provision began. Table 3.4 provides a comparison with other CV and IFQ leases and percentages of those distinct CV QS holders using medical lease transactions. Table 3.5 shows the numbers of persons using medical leases compared with all CV QS holders.

Table 3.3 Medical lease transactions by year, 2007–2012

Year	Number of Transactions	Number of Distinct Transferors	Number of Distinct Transferees
2007	17	13	14
2008	71	54	52
2009	98	66	59
2010	92	62	57
2011	95	64	60
2012	81	56	53

Table 3.4 Medical vs. other IFQ lease transactions, 2007–2012 and percent of comparable data for all CV lease transactions

Type of Transaction	Number of Transactions
All IFQ leases	904 [a]
All CV leases	700 [b]
All CV medical leases	454
Medical as Percent of All leases	50.2 %
Medical as Percent of All CV leases	64.9 %

[a] The other IFQ lease transactions include A share.

[b] This includes CQE, Military and beneficiaries.

Table 3.5 shows the number of CV QS holders who use medical leases remains a small fraction of the number of all CV QS holders.

Table 3.5 Comparison of medical transferors by number of unique persons and percentages of CV QS holders, 2007–2012

Year	Number of All Persons Holding CV QS at Year-end	Number of Persons Using Medical Leases and Percent of Persons Holding CV QS
2007	3,232	13 (0.4%)
2008	3,064	54 (1.8%)
2009	2,998	66 (2.2%)
2010	2,931	62 (2.1%)
2011	2,875	64 (2.2%)
2012	2,695	56 (2.1%)

Transfer Eligibility Certificate (TEC)

Eligibility to receive catcher vessel QS by transfer is generally restricted to those persons who received QS by initial issuance and those individuals who can demonstrate that they have served as a member of the harvesting crew in any U.S. fishery for no fewer than 150 days. One exception to these eligibility criteria is for eligible nonprofits representing Gulf of Alaska (GOA) communities approved under community protection measures in the IFQ Program (see Community Quota Entities). Non-initial recipients that meet the 150 days sea-time requirement are designated as "IFQ Crewmembers" who, upon approval by NMFS/RAM, can be issued a Transfer Eligibility Certificate (TEC).

Table 3.6 displays the number of TECs issued, by residency, to IFQ crewmembers since the program began in 1994. It also shows how many of those IFQ crewmembers were holding QS at year-end 2011.

Table 3.6 Summary of Transfer Eligibility Certificate (TEC) issuance 1994–2012 and crewmembers holding QS at year-end 2012

Residency	Crewmember[a] TECs issued 1994–2012	Crewmembers[a] holding QS/IFQ year-end 2012
Alaskan[b]	2,359	855
Non-Alaskan[b]	1,065	313
Total[c]	***3,424***	***1,168***

[a] An "IFQ Crewmember" is an individual who did not receive QS/IFQ by initial issuance but who applied for and was issued a TEC.
[b] "Alaskan" and "Non-Alaskan" are premised on the applicant's most recently self-reported address; NMFS/RAM makes no effort to verify a person's state of legal residence.
[c] Persons without known addresses are excluded from this table.
http://www.alaskafisheries.noaa.gov/ram/12ifqcrew.pdf

Quota Acquired by "IFQ Crewmembers" by Species, Area, and Residency

Table 3.7 displays "Alaskan" and "Non-Alaskan" IFQ Crewmember holdings of QS at year-end 2012 (as expressed in 2012 IFQ pound equivalents and as a percentage of the 2012 area TACs). Area 4E is excluded because no IFQ is allocated for that area.

Table 3.7 Quota acquired by "IFQ Crewmembers" by species, area, and residence at year-end 2012[a]

Species/Area		Alaskan IFQ Pounds[b,c]	Non-Alaskan IFQ Pounds[b,c]	Total 2012 IFQ Pounds[d]	Percent Area TAC[e]
Halibut	2C	797,995	247,802	1,045,797	39.9%
	3A	2,231,284	1,147,599	11,918,000	28.4%
	3B	993,280	647,333	5,070,000	32.4%
	4A	406,393	304,418	1,567,000	45.4%
	4B	292,122	294,096	1,495,200	39.2%
	4C	118,420	154,117	553,678	49.2%
	4D	114,963	189,542	775,149	39.3%
total		4,954,457	2,984,907	7,939,364	

(Continued Table 3.7 (*continued)*

Species/Area	Alaskan IFQ Pounds[b,c]	Non-Alaskan IFQ Pounds[b,c]	Total 2012 IFQ Pounds[d]	Percent Area TAC[e]
Sablefish AI	471,747	1,580,261	2,052,008	75.7%
BS	550,427	716,301	1,266,728	64.4%
CG	1,204,209	1,390,585	2,594,794	25.5%
SE	1,403,784	931,867	2,335,651	33.4%
WG	450,499	921,161	1,371,660	43.7%
WY	337,758	356,533	694,291	15.9%
total	4,418,424	5,896,708	10,315,132	

[a] An "IFQ Crewmember" is an individual who did not receive QS/IFQ by initial issuance but who applied for and was issued a TEC.
[b] "Alaskan" and Non-Alaskan" are premised on the holders' self-reported business mailing address; NMFS/RAM makes no effort to verify a person's state of legal residence.
[c] Persons without known addresses are excluded.
[d] Pounds are derived from QS held and are not adjusted by prior year fishing activity.
[e] Table 2.10 references TAC amounts.

Community Purchase Program

First authorized in June 2004, the IFQ Community Quota Entities (CQEs) Program allows 45 GOA communities to participate in IFQ fisheries for benefit of their own economic welfare and that of individual community residents. Eligible communities may form nonprofit organizations (," CQEs) that acquire QS on the commercial market for lease to community residents. Caps on QS holdings in this program and for each community limit the program. As of year-end 2012, 21 communities were represented by 20 CQEs, but only two CQEs had acquired QS and leased IFQ. These two communities are Old harbor and Ouzinki. Beyond the IFQ Community Purchase Program, some communities have additional benefits if allocated and leasing community charter halibut permits or license limitation groundfish permits under other limited entry programs. Visit the NOAA website for more information on the new NMFS guided sport fishery or License Limitation Program permits for GOA groundfish:

alaskafisheries.noaa.gov/ram/cqp.htm

Consolidation of QS

Over time, more QS holders have left the IFQ fishery than have entered, including the reduction of 199 inactive permit holders in 2012. As a result, QS has consolidated into the hands of fewer persons than the number that received QS by initial issuance.

Changes in QS Holdings, Initial Issuance to Year-End 2012

Figures 3.1 and 3.2 show the estimated number of persons initially issued halibut or sablefish QS who still held QS at each year-end of the IFQ Program. In this discussion of QS holdings over time, "1994" represents initial issuance of QS, whenever it occurred. Initial issuance of QS started in 1994 and continued for a limited time as appeals were adjudicated.

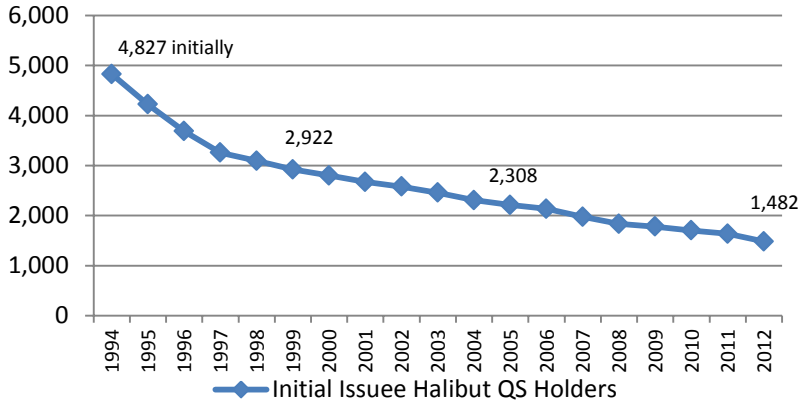


Figure 3.1 Initial QS Recipients Holding Halibut QS at Year-end, 1994–2012

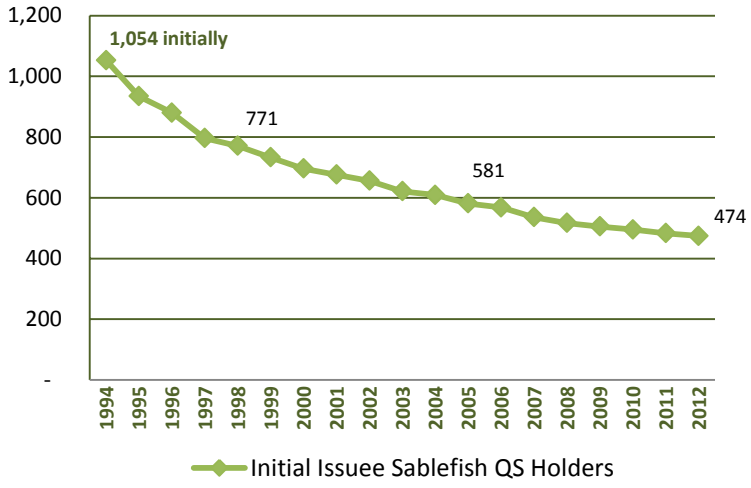


Figure 3.2 Initial QS Recipients Holding Sablefish QS at Year-end, 1994–2012

Figures 3.3 and 3.4 show the estimated number of persons initially issued halibut or sablefish QS who still held QS at each year-end of the IFQ Program

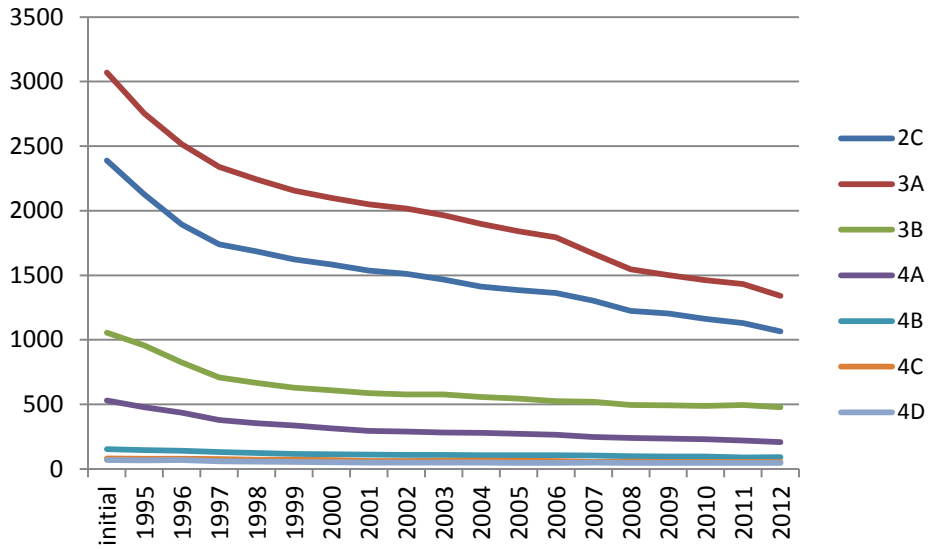


Figure 3.3 Consolidation of halibut QS– the number of initial issuees through December 31, 2012

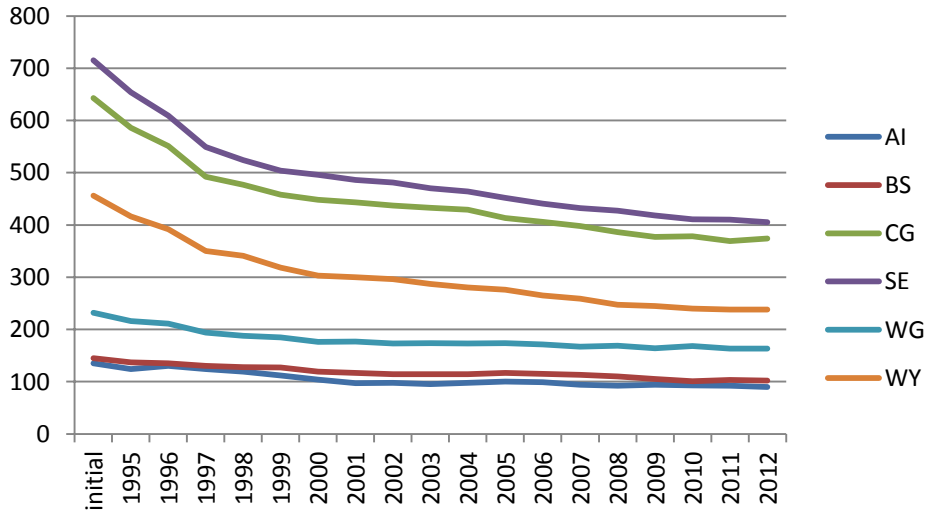


Figure 3.4 Consolidation of Sablefish the number of initial issuees through December 31, 2012

Click to download tables for halibut or sablefish: The tables show, by area and size of holding, how transfer activities have led to consolidation of QS. In these tables, the area data are not additive; QS holders may (and many do) hold QS in more than one management area for both halibut and sablefish.

In addition, the number of persons holding QS that yields IFQ of differing amounts has changed from some past annual

reports.

VESSEL PARTICIPATION

Figures 3.5 and 3.6 show a reduction in the number of vessels participating in fixed-gear fisheries under the IFQ Program, compared with years just prior to program implementation. During 2012, fishermen aboard 1,050 distinct vessels participated in the halibut and sablefish IFQ fisheries. After an immediate steep decrease at the start of the IFQ Program, the numbers of vessels continue to decline over time. During 2012, halibut and sablefish fishermen used 35 fewer IFQ vessels than in 2011. Note that vessel counts are not additive across areas or species because the same vessels may have participated in more than one area to harvest both species.

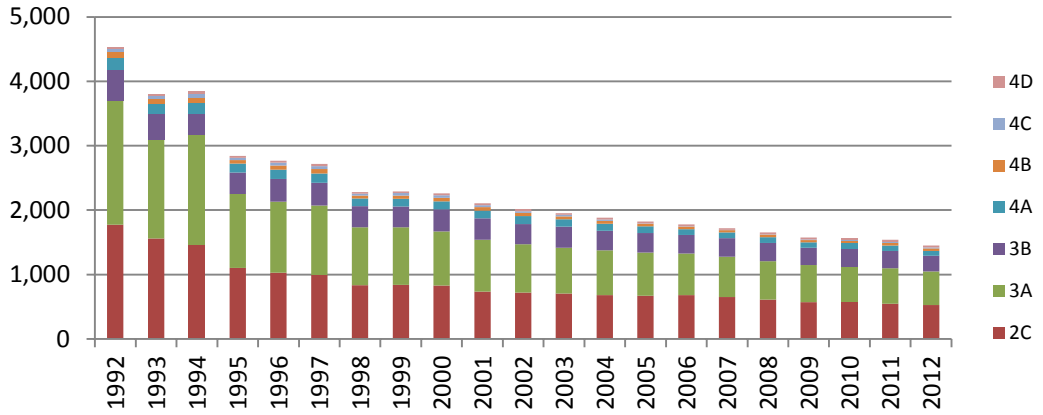


Figure 3.5 Number of vessels with IFQ halibut harvests by area and year, 1992–2012
Source: ADF&G provided pre-program data. Click to download the table for figure 3.5

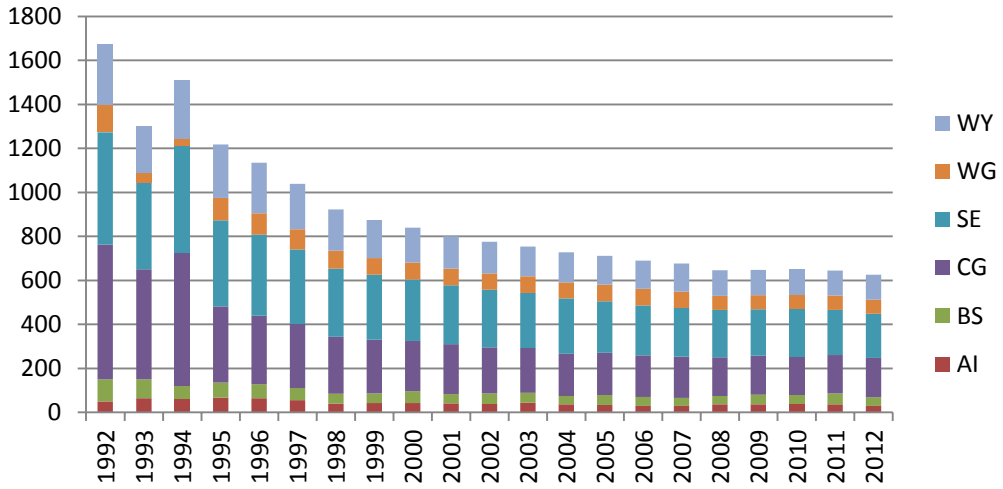


Figure 3.6 Number of vessels with IFQ sablefish harvests by area and year, 1992–2012
Source: ADF&G provided pre-program data. Click to download the table for figure 3.6

Figures 3.7 and 3.8 show the consistent pattern of decreasing numbers of vessels in the halibut and sablefish IFQ fisheries since the Program began in 1995. The figures reveal initial precipitous declines that, as expected, slowed to a gradual decline over time.

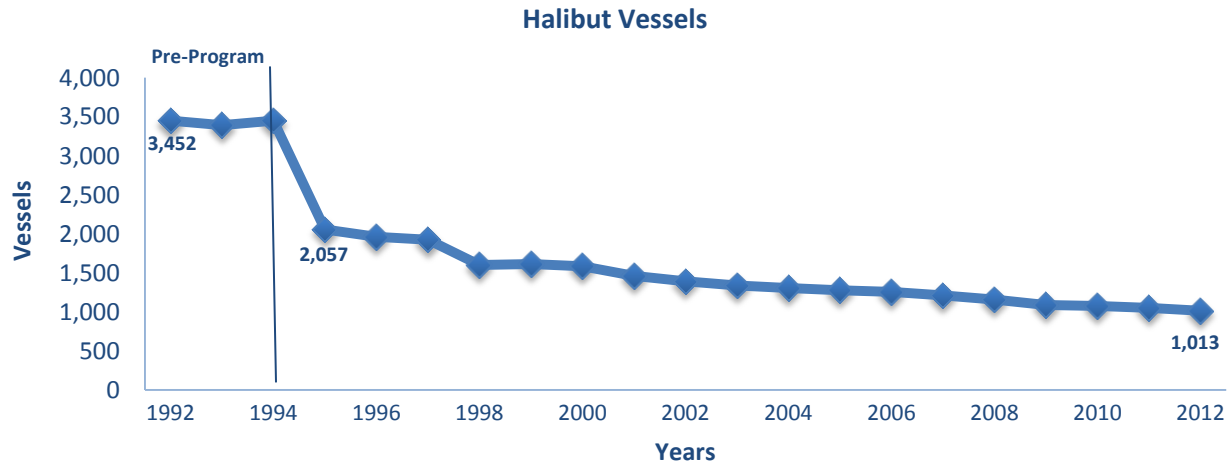


Figure 3.7 Vessel Participation in the IFQ Halibut Fisheries, 1992–2012

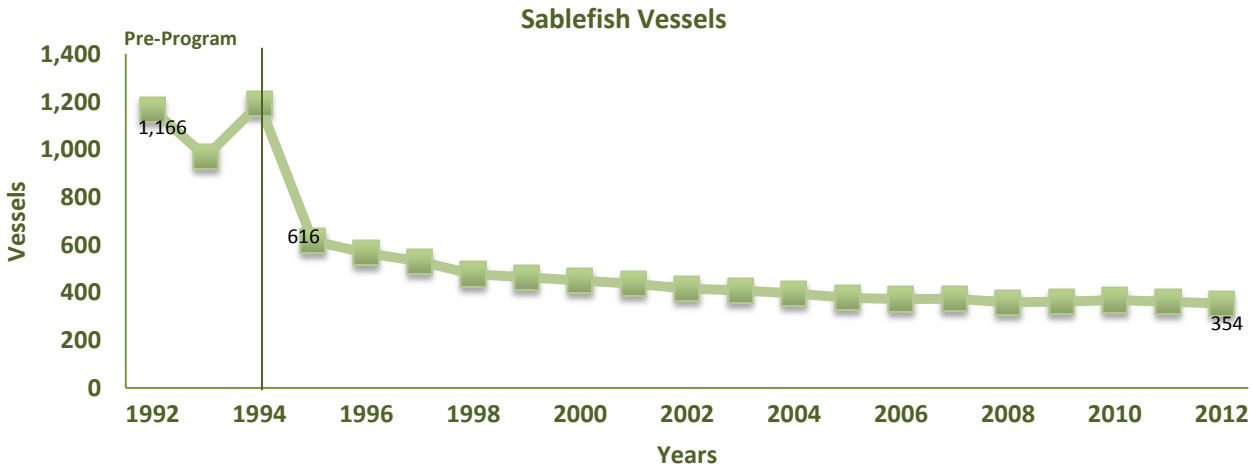


Figure 3.8 Vessel Participation in the IFQ Sablefish Fisheries, 1992–2012

VESSEL SIZE

The median vessel length overall (LOA, in feet) of vessels fishing for halibut and sablefish in the IFQ Fishery has increased by two feet and seven feet respectively since program inception. Figures 3.9 and 3.10 show the gradual changes in vessel length for halibut and sablefish IFQ vessels over time, until it stabilized at 42 ft LOA in 2004 in the halibut IFQ fishery and at 56 ft LOA in 2001 in the sablefish fishery.

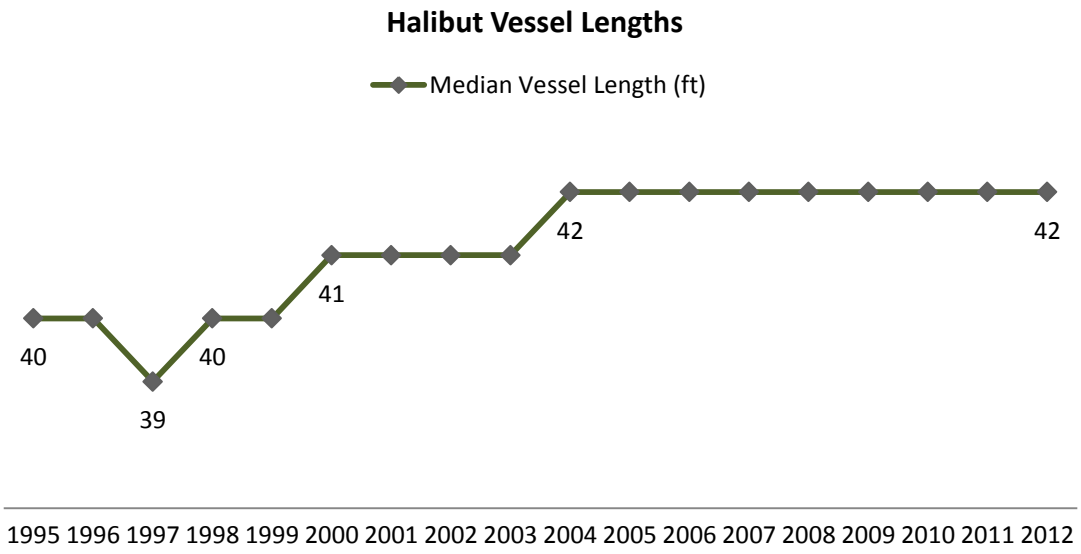


Figure 3.9 Median LOA (ft) for halibut IFQ vessels, 1995–2012

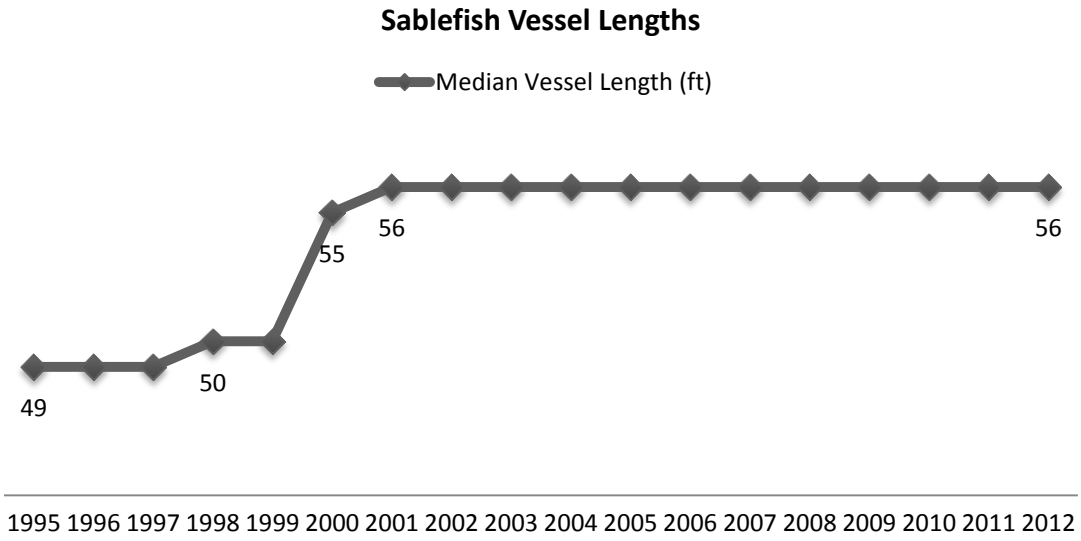


Figure 3.10 Median LOA (ft) for sablefish IFQ vessels, 1995–2012

VESSEL USE

This section displays information about other aspects of vessel use, such as areas fished, use in one or both IFQ fisheries, and pounds landed. The International Pacific Halibut Commission (IPHC) provided pre-Program (1994) data for this section.

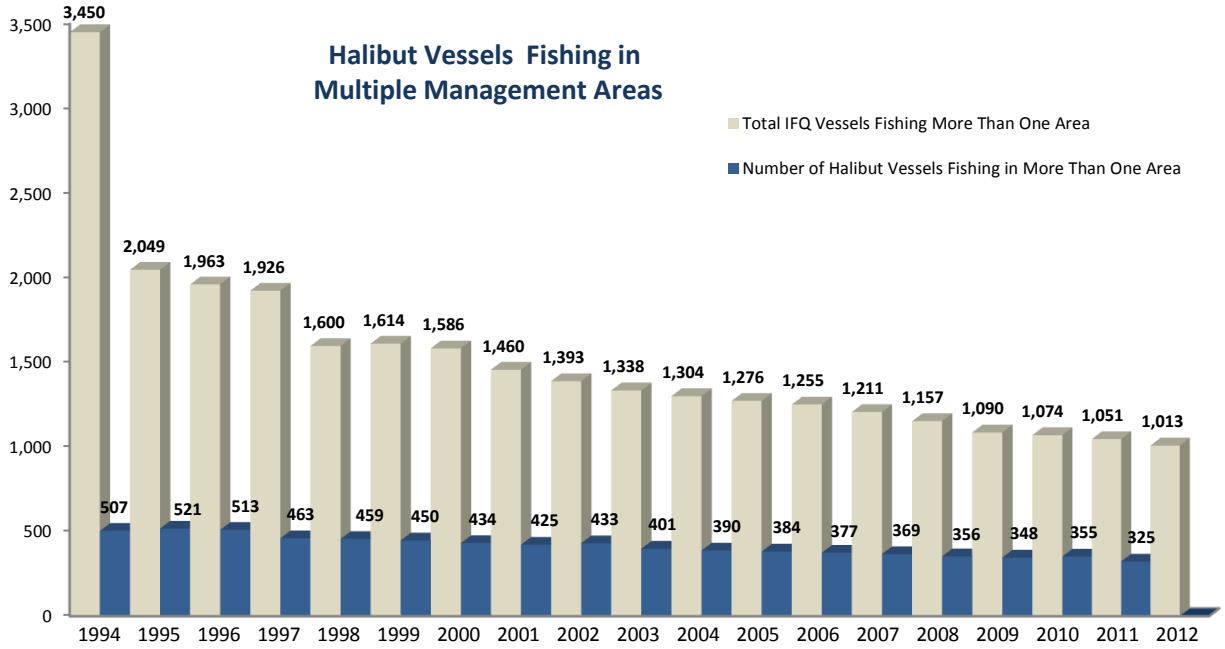


Figure 3.11 Halibut Vessels Fishing in More Than One Management Area, 1995–2012

In pre-IFQ Program fishing year 1994, the IPHC reported 3,450 vessels landed halibut in IPHC regulatory areas. Of these vessels, 3,068 (89 percent) fished only one regulatory area, and 309 (9 percent) fished in two. While 59 (2 percent) pre-program vessels fished three areas, only 14 (0.4 percent) vessels fished four areas that year. One year later during the first IFQ program year, the number of halibut vessels fishing in more than one area increased by 198 vessels; the percentage of multiple-area vessels increased more than two-fold. In 2012, with 1,036 fewer vessels participating than in the first program year, the percentage of vessels using multiple areas increased 7 percent over the first IFQ year's percentage. Figure 3.11 shows an immediate steep decrease of halibut fishing vessels at the start of the IFQ program. The number of halibut fishing vessels fishing multiple IPHC regulatory areas has gradually decreased under the Program.

Figure 3.12 shows the numbers of IFQ vessels fishing for sablefish in multiple regulatory areas. The percentage of IFQ sablefish vessels fishing in more than one regulatory area shows little variation over time, ranging between 40.8 and 44.6 percent. However, the number of vessels using multiple areas (fishing sablefish) has decreased by 122 vessels (42 percent) since 1995.

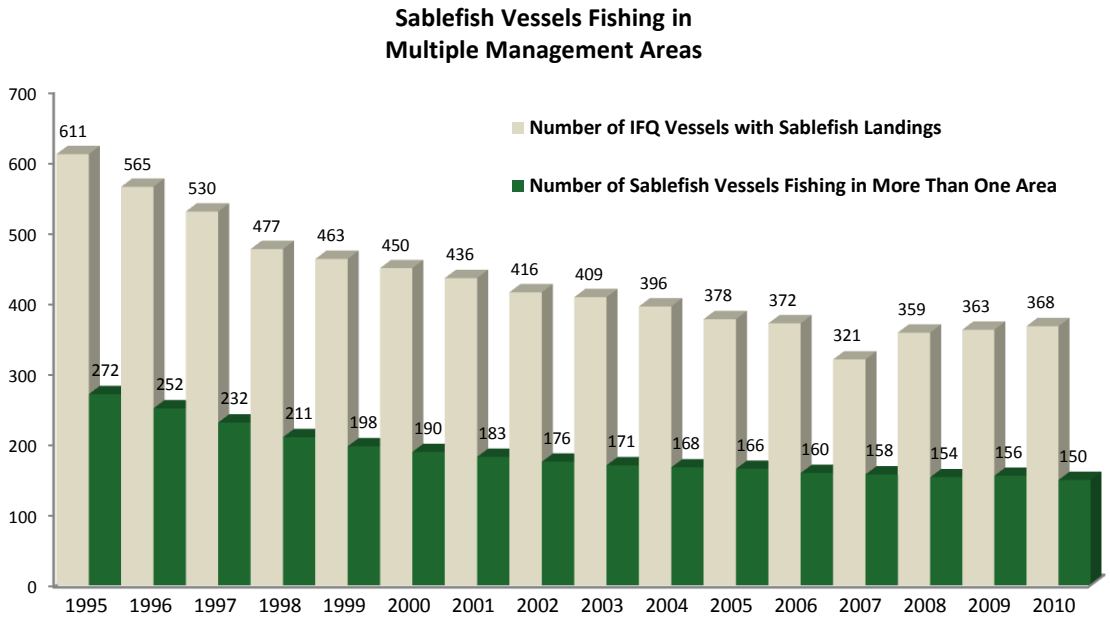


Figure 3.12 Sablefish Vessels Fishing in More Than One Management Area, 1995–2012

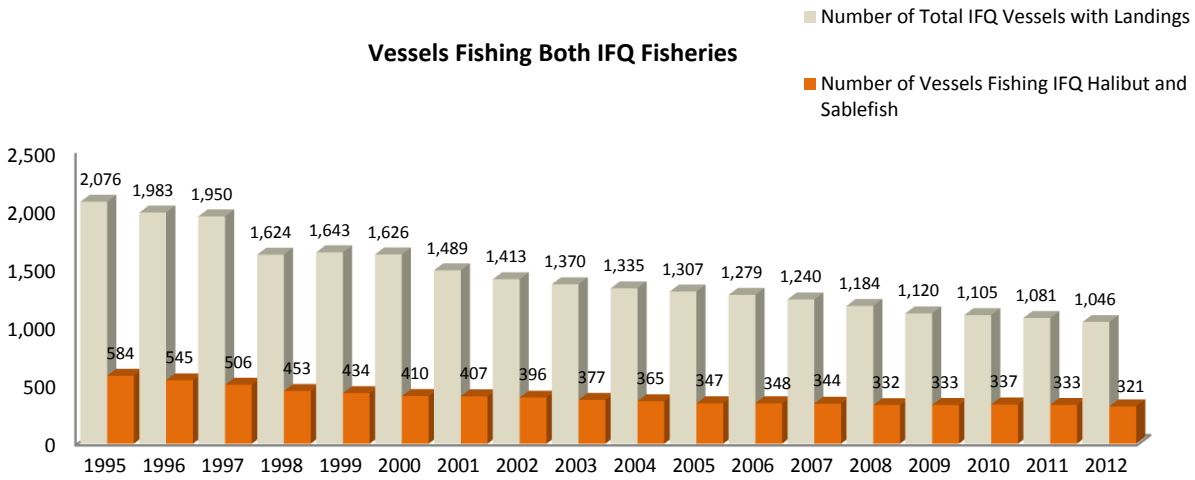


Figure 3.13 Numbers of Vessels Fishing in Both the Halibut and Sablefish IFQ Fisheries, 1995–2012

For many years, fishermen have combined fishing for Pacific halibut and sablefish to achieve economic efficiency in both fisheries. Figure 3.13 shows an anticipated gradual decrease in vessels fishing both IFQ fisheries.

Figures 3.14 and 3.15 show the IFQ median pounds (net and round, respectively) landed per halibut and sablefish vessel over time according to vessel category, which are described by both operation type and length overall (LOA). Among other calculations, NMFS initially assigned QS according to whether halibut and groundfish were initially processed at sea and to the LOA of the vessels on which qualifying landings were made during IFQ "base" and seven qualifying years. Data in these tables have been rounded to the nearest thousand.

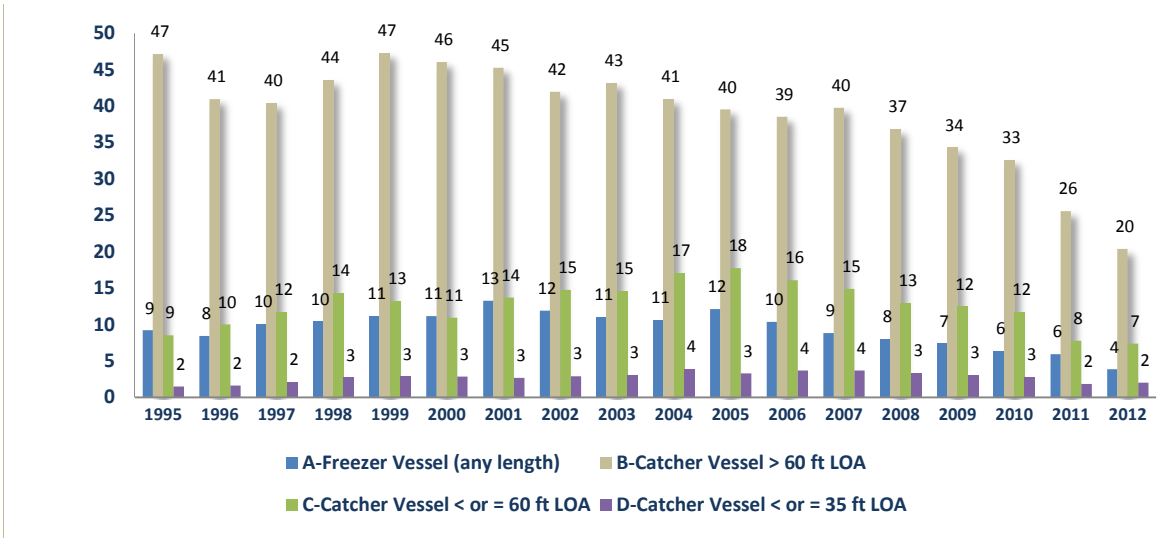


Figure 3.14 Median IFQ round Pounds (in thousands) per Halibut Vessel by Vessel Type and Size, 1995–2012

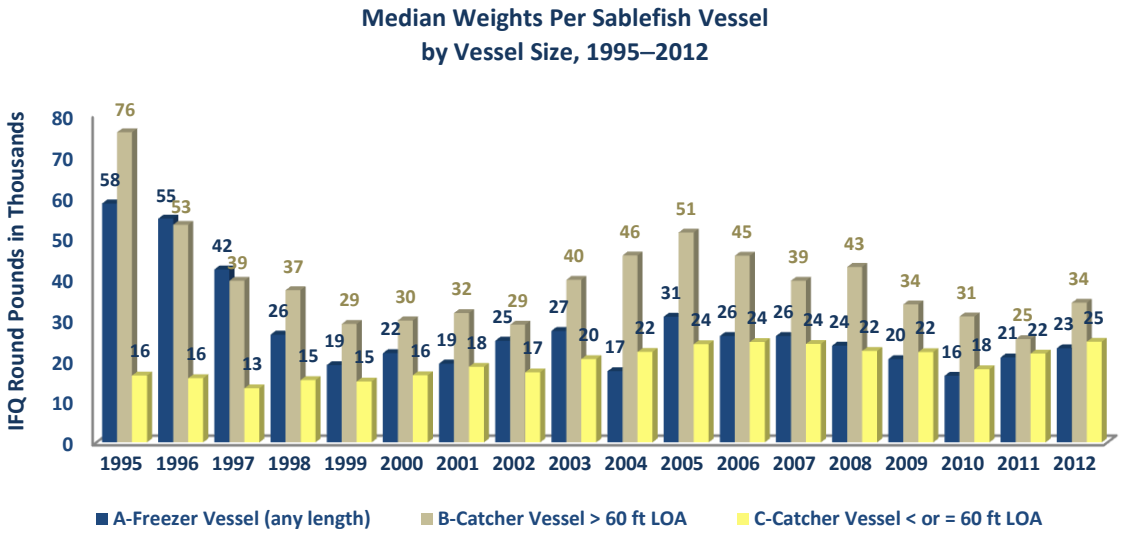


Figure 3.15 Median IFQ Pounds per Sablefish Vessel by Vessel Type and Size, 1995–2012

Figures 3.14 and 3.15 illustrate, respectively, the median IFQ pounds landed per halibut and sablefish vessel by vessel type and sizeVessel category C median weight remained nearly the same compared with landed weight in 2011. Vessel category D landed weight was the same as in 2011 and in 1995. However, halibut vessel categories A and B IFQ pounds per vessel decreased by approximately 2,000 and 6,000 IFQ pounds, respectively, since the start of the Program. From 1995 to 2012, median IFQ round pounds per sablefish vessel in category C increased by 9,000 round pounds, while median IFQ pounds for category A and B vessels decreased –35,000 pounds for category A vessels and 42,000 pounds for those in category B.

The North Pacific Loan Program

Under the authority of the Magnuson Stevens Act, the NMFS Financial Services Division (FSD), Seattle Branch, issues loans to purchase or refinance QS. These loans are available primarily to entry-level fishermen and those fishing from small vessels. In Federal fiscal year (FY) 1998, Congressional appropriations established a loan fund of $5 million for each fiscal year. Later Congress increased the IFQ loan authority to $8 million and then to $16 million to meet higher costs of QS in IFQ programs, to serve more constituents, and to provide funds for other catch share programs. For contact information

regarding the loan program, visit our website at alaskafisheries.noaa.gov/ram/ifqloan.htm.

Compared with loans issued in FY10, demand for loans for QS declined 44 percent in 2012 due to an increase in the cost of QS, a decline in TAC in Areas 2C and 3A, and the fact that loans are generally harder to approve than during previous fiscal years.[1] During FY12 IFQ fishermen received loans totaling over $5.8 million, $4.5 million less than in FY10 when fishermen received loans totaling $10.3 million. Loan authority is annual and if parts of the appropriation are not obligated during the fiscal year, the loan authority is lost.

Table 3.8 displays the number and amounts of loans approved each fiscal year by borrowers' state of residence. In FY12 Alaska fishermen assumed 7 of the 15 loans (46.6 percent of loans) issued. Fishermen in Washington also participated as principal users of the loan program (5 of 15 loans; 33.3 percent). FSD issued loans to fishermen in Oregon, Colorado, and Indiana, who each assumed 6.6 percent of loans (1 of 15 loans). Shaded rows reference loans issued to borrowers during FY12. The Federal fiscal year is October 1 through September 30.

Table 3.8 Status of NMFS loans for purchase of QS/IFQ by residence (state), fiscal year, amount, and number of loans, 1998–2012

Borrower's State of Residence	1998	1999	2000	2001	2002	2003	2004	2005	2006
Alaska	2,704,749	2,942,881	2,852,759	2,506,978	2,898,348	3,886,000	2,412,042	1,921,075	2,623,980
Arizona				185,000	170,187				
California			260,000				272,178		201,912
Colorado			60,000				150,000	288,000	256,000
Florida		360,019						360,240	
Georgia	250,000		92,871						
Idaho			80,000	99,564					
Indiana									
Michigan		61,500							
Minnesota					100,000				
Missouri									
Montana									
Nebraska				200,000					
Nevada					100,000				
Oklahoma									
Oregon	169,336	205,800	393,000	354,955	100,000	300,000	342,000		368,108
S. Dakota							100,000	200,000	
Texas							68,780		
Utah	114,808							240,000	
Virginia									
Washington	1,761,107	1,429,800	1,261,370	1,570,914	1,631,465	814,000	1,655,000	1,990,685	1,550,000
Wisconsin				65,089					
FY Totals	*5,000,000*	*5,000,000*	*5,000,000*	*4,982,500*	*5,000,000*	*5,000,000*	*5,000,000*	*5,000,000*	*5,000,000*

(Continued)

Table 3.8 *(continued)*

Borrower's State of Residence	2007	2008	2009	2010	2011	2012	Cumulative Number of loans	Average loan amount	Cumulative Total loan amount
Alaska	2,859,000	3,627,134	3,375,408	5,602,218	3,624,150	2,760,670	274	170,063	46,597,392
Arizona		630,000					4	246,297	985,187
California		300,000	322,592		411,268		8	220,994	1,767,950
Colorado						525,665	5	255,933	1,279,665
Florida							2	360,130	720,259
Georgia							2	171,436	342,871
Idaho							2	89,782	179,564
Indiana						180,000	1	80,000	80,000
Michigan				160,000			2	110,750	221,500
Minnesota							1	100,000	100,000
Missouri		287,709					1	287,709	287,709
Montana		100,000		300,000			2	200,000	400,000
Nebraska							1	200,000	200,000
Nevada							1	100,000	100,000
Oklahoma				600,000			1	600,000	600,000
Oregon	360,000	1,240,000	852,000	111,050	300,000	240,000	27	197,639	5,336,249
S. Dakota							2	150,000	300,000
Texas			225,000				2	146,890	293,780
Utah							2	177,404	354,808
Virginia			106,000				1	106,000	106,000
Washington	1,781,000	1,815,157	3,119,000	3,547,874	2,601,630	2,213,480	127	226,319	28,742,482
Wisconsin							1	65,089	65,089
FY Totals	***5,000,000***	***8,000,000***	***8,000,000***	***10,321,142***	***6,937,048***	***5,819,815***	***469***	***189,894***	***89,060,505***

[1]Loan approval becomes more difficult when lower TACs decrease a holder's potential revenue available to repay a loan. While some offset may come from increases in fish price, this is not guaranteed. With continued downward movement of a TAC, there is often less buyer interest and greater credit risk as the margin between revenue and loan repayment narrows.

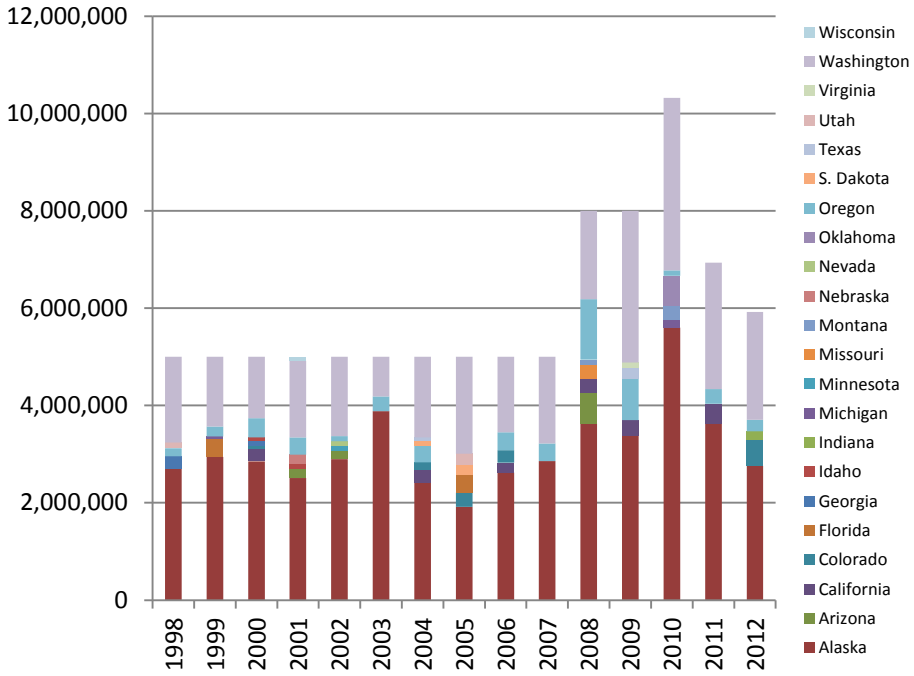


Figure 3.16 NMFS loans for purchase of QS/IFQ by residence (state), fiscal year, amount, and number of loans, 1998–2012

NOAA IFQ Enforcement Activities

Goals

The Alaska Enforcement Division (AKD) of NOAA Fisheries Office of Law Enforcement (OLE) employs a multifaceted strategy to maximize compliance in the IFQ halibut and sablefish fisheries. The strategy is intended to increase communications and understanding between the regulated users and enforcement personnel and to minimize harm to fishery resources.

Educational Outreach

During FY2012, AKD personnel spent over 2,200 hours providing marine resource users with compliance assistance. This includes staffing booths at 11 major organized events in Alaska and Washington as well as daily contacts in communities, ports and harbors and at-sea to ensure that the most current and accurate regulatory information is widely distributed and understood.

Patrols, Partnerships, and Inspections

NOAA OLE works closely with the State of Alaska Wildlife Troopers (AWT) and the US Coast Guard to maximize compliance by sharing information, intelligence, knowledge, and resources. The formalized Cooperative Enforcement Agreement and Joint Enforcement Agreement with the Wildlife Troopers provide the state with federal funding for personnel, equipment, operations, and authorization for State Troopers to enforce federal fishing regulations while engaged in their regular duties.

Patrol, Monitoring, and Inspections

In FY2012, AKD personnel spent over 5,400 hours conducting patrols to provide a visible deterrence to potential violators; to monitor fishing and other marine activities; to detect violations; to conduct compliance inspections, and to provide compliance assistance.

Investigations

AKD personnel promptly and thoroughly investigate reports or complaints of IFQ violations. NOAA investigators also regularly analyze IFQ data that may lead to investigations of abnormal activity and missing or questionable information.

Use of Technology

In 2012 there were 68 sablefish trips and 77 halibut trips that used the Vessel Monitoring System (VMS) checkout. The near real time tracking capabilities of the VMS system allow vessel operators to fish without going into port to get a vessel clearance while allowing NOAA personnel to verify a vessel's location.

U.S. Coast Guard IFQ Enforcement

Duties

The U.S. Coast Guard engages in at sea enforcement while NMFS AKD monitors offloads and provides after hours surveillance.

IFQ Patrol Effort

IFQ enforcement patrol effort by smaller cutters (patrol boats and buoy tenders) in Alaska remained similar to last season's effort. This year major cutter effort remained high, and patrol efforts were augmented with additional operations in each halibut fishery.

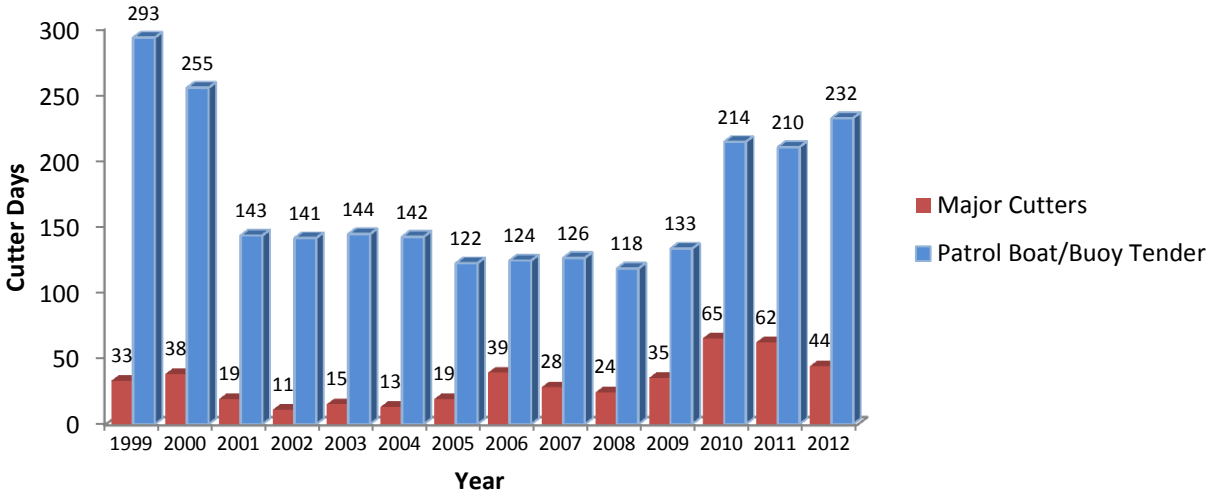


Figure 3.17 **Maritime Patrol** USCG Cutter and Patrol Boat Effort, 2000–2011

Aircraft IFQ Patrol Effort

Stability of the IFQ fishery and very low rates for significant IFQ violations and Search and Rescue (SAR) cases have allowed the USCG to gradually shift some patrol effort to maritime security and other fisheries mission areas. Figure 3.18 shows this trend in helicopter IFQ patrol hours (down 55 percent since 2005).

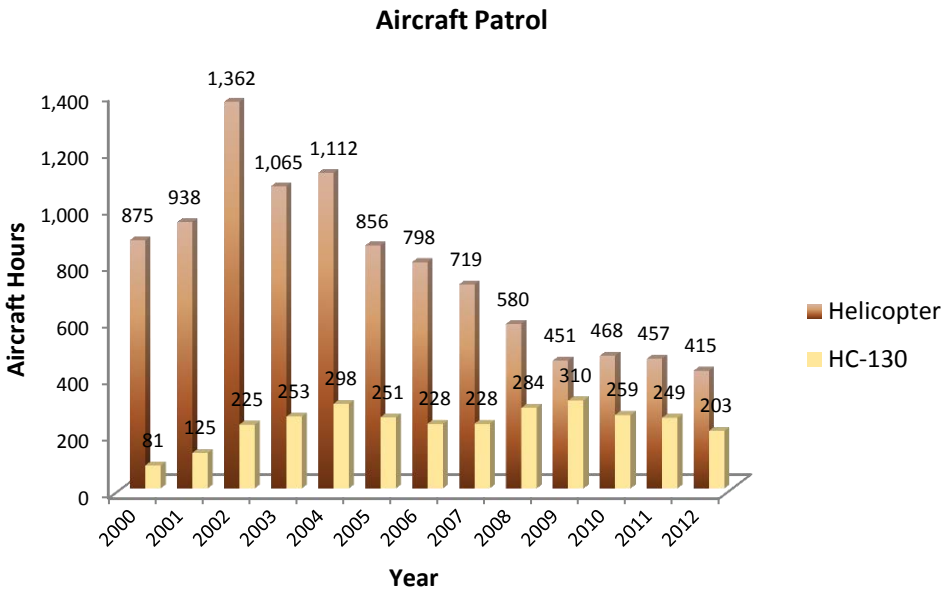


Figure 3.18 USCG Aircraft Patrol Effort, 2000–2011 (2012 not available at this time)

IFQ At-Sea and Dockside Effort

The USCG eliminated shoreside enforcement in 2006, protecting resources through at-sea boardings. This focus was possible because of AKD's increased capacity to monitor offloads with their personnel and through JEAs with the State of Alaska. Historically, shoreside violations detected by the USCG have consistently been minor and generally administrative. Consequently, the USCG determined that more significant resource protection was possible by at-sea boardings conducted jointly with NOAA.

Until 2009, USCG enforcement personnel boarded only commercial vessels. In 2009 USCG personnel boarded commercial, charter, and unguided sport-caught halibut vessels. During 2012 USCG enforcement personnel focused exclusively on at-sea boardings (235) in all halibut sectors and during these boardings found 5 violations on 71 commercial boardings, 2 violations on 47 charter vessels, and one violations on 117 unguided sport halibut vessels. Table 2.13 displays past dockside IFQ monitoring effort and at-sea boardings with fishery violations. In 2012, the violation rate (7 percent) was lower the 2011 violation rate (9.9).

Table 2.13 At-sea IFQ boardings with fishery violations and violation rates (percent), 2005–2012

IFQ Boardings	2012	2011	2010	2009	2008	2007	2006	2005
At-Sea boardings	235	396	541	244	136	176	198	102
Dockside monitors[a]	0	0	0	0	0	0	0	44
Boardings/monitors with violations	8	24	21	10	5	10	19	14
Violation rate (commercial %)[b]	7.0%	9.9%	4.6%	7.5%	4%	6%	10%	10%

[a] NOAA Enforcement handled after-hours surveillance of ports and shoreside monitoring of offloads. USCG involvement in shoreside enforcement was eliminated in 2006.

[b] Because some percentages are rounded, they may differ slightly from USCG published data.

Table 2.14 displays specific at-sea IFQ violations from 2005 through 2012. These selected violations are those that have persisted over time. Other violations are not included because they are occasional or minor administrative discrepancies. During 2012, of 235 boardings at sea, USCG personnel cited 8 vessels for 8 violations. The eight significant commercial IFQ violations in 2012 were for not maintaining continuous transit during a closed period, failure to use seabird avoidance gear, fishing without an IFQ permit, logbook discrepancy and subsistence violation of fishing with too many hooks.

Table 2.14 At-sea IFQ fisheries violations, 2005–2012

Violation Type	2012 Violations (8 on 8 vessels)	2011 Violations (23 on 13 vessels)	2010 Violations (21 on 17 vessels)	2009 Violations (10 on 10 vessels)	2008 Violations (5 on 5 vessels)	2007 Violations (20 on 19 vessels)	2006 Violations (20 on 19 vessels)	2005 Violations (10 on 8 vessels)
Not maintaining continuous transit during a closed period	1	0	0	0	0	0	0	0
Failure to use Seabird Avoidance Gear	1	0	0	0	0	0	0	0
Fishing in Closed Area	0	1	1	2	0	0	0	0
FFP/IFQ Permit/Cardholder not onboard	0	7	1	1	0	2	4	5
Expired FFP	0	0	0	1	0	0	0	0
Boarding Ladder	0	0	0	1	0	0	0	0
Insufficient seabird avoidance	0	0	0	0	0	2	7	3
Logbook discrepancy	2	8	7	5	3	5	5	2
Fishing for Halibut without a Permit	3	0	0	0	0	0	0	0
Subsistence fishing with too many hooks	1	0	0	0	0	0	0	0

IFQ Vessel Safety

During 2012 the number of IFQ at-sea safety violations (19 on 10 vessels) decreased slightly with 14 fewer violations than in 2011 (33 safety violations on 20 vessels). The most serious and most common violations are listed in Table 2.15. The most prevalent violations were related to survival suits (quantity, condition), visual distress signals (insufficient quantity, expired), and Type IV life rings (insufficient, unserviceable). Two vessels had their voyages terminated in 2012. The table categorizes 15 at-sea safety violations of 19 total violations on 10 vessels.

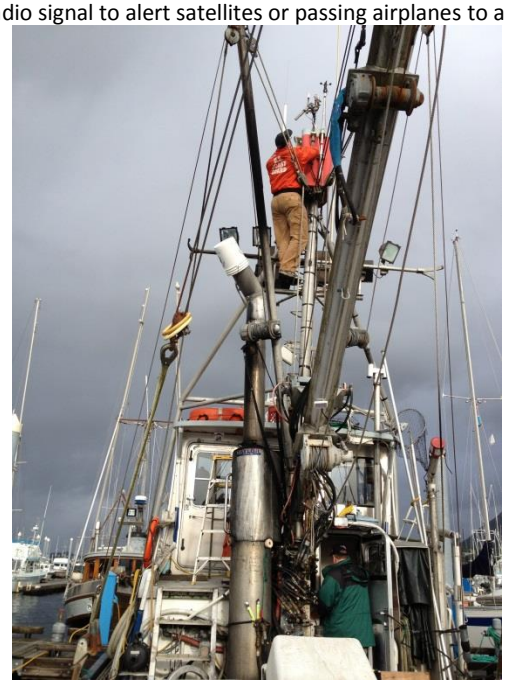
Sometimes violations are not listed in the table because they are occasional and unusable for multiyear comparisons. However, this year just a few administrative violations (3 hull markings/documents) are not included among these at-sea safety violations.

Table 2.15 IFQ fleet at-sea safety violations by type and number, 2003–2012

Safety Violation Types	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expired/missing life raft/hydro[a]	3	3	5	9	9	2	10	7	6	11
Insufficient visual distress signals	3	9	8	2	9	5	9	3	6	7
Expired/missing EPIRB[b]/hydro	1	2	4	7	7	12	9	8	4	8
Insufficient/expired fire extinguisher	3	3	7	0	2	3	4	5	3	5
Insufficient survival suits/light	4	4	3	8	3	5	7	7	2	3
Unserviceable/ missing life ring	1	6	5	4	2	1	3	4	1	6
Exposed hazards	0	0	0	0	0	0	0	3	1	3
marine sanitation	0	2	1	0	0	0	0	1	1	2
No sound-producing device	0	1	1	1	1	4	2	1	1	1

[a] hydro, or HRU, is a hydrostatic release unit that holds life rafts or an Emergency Position Indicating Radio Beacon (EPIRB). If a vessel takes on water, a wet "hydro" releases what it is holding to let it rise to the water's surface.

[b] An EPIRB is an emergency device that uses a radio signal to alert satellites or passing airplanes to a vessel's distress.



2012 Search and Rescue (SAR)

In 2012 the number of IFQ SAR cases in the IFQ fisheries increased by 2 from the previous fishing year. For pre-program comparisons, in 1993 and 1994 (the last non-IFQ years) the number of SAR cases reached 26 and 33, respectively. From 2009 through 2012, no lives were lost in the fishery. Figure 2.22 displays the SAR safety record during the last fourteen of eighteen program years.

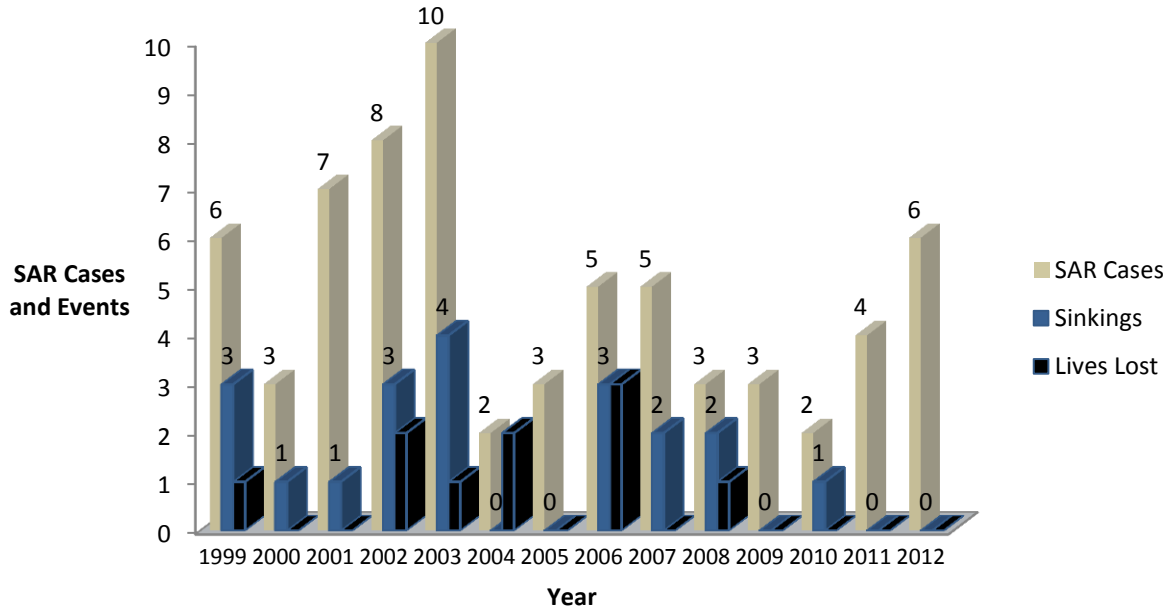


Figure 3.19 USCG IFQ Search and Rescue Cases, 1999–2012

Enforcement Plans for 2013

The USCG plans to continue joint operations with NOAA and to focus enforcement efforts toward commercial, charter halibut, and sport-caught halibut fleets.