North Pacific Fishery Management Council

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Certified

DRAFT ADVISORY PANEL MINUTES June 23-27, 1991 ANCHORAGE, AK

The Advisory Panel for the North Pacific Fishery Management Council met on June 23-27, 1991, at the Anchorage Hilton Hotel. Members in attendance were:

George Anderson Loretta Lure

Pete Malonev **Beth Stewart**

Dave Woodruff Dan O'Hara

John Roos

John Bruce Harold Sparck

Lyle Yeck

Robert Wurm

Perfenia Pletnikoff

Al Burch

Phil Chitwood

Dave Fraser, Vice Chair

Jack Miller

John Woodruff, Chair

Minutes for the April 1991 meeting were approved.

C-1 SABLEFISH MANAGEMENT

The AP received a report from staff summarizing the sablefish package and the selected decisions for this meeting. Following public testimony, there transpired considerable debate over the proposed IFQ amendment and alternatives. The AP's major concern, as expressed in its minutes in April, was the extremely difficult task of commenting on the analysis without the Council more narrowly focusing the IFQ program. With three IFQ system alternatives, each with a list of options and suboptions, all of which could be interchanged between alternative systems, make it impossible for the AP to recommend Council approval of a IFQ management system at this time. In April, the AP recommended that the Council select from the "Chinese menu" of options at this meeting, and then let the public comment on the defined system. Until then, it is very difficult to intelligently evaluate the impacts of such a system and provide comments.

The sense of the AP on this issue range from total support of the IFQ approach, to no support with development of more traditional management measures being favored. Many members would like to see the IFQ system defined by the Council and have an amendment comprised of management tools prepared with an analysis evaluating the effectiveness of the two amendments in addressing the sablefish problems.

The AP passed a motion to recommend that the Council select a preferred alternative and that this proposed IFQ system be sent out for public review; that the Council two ad hoc groups: (1) a longline industry advisory group comprised of representatives of sablefish and halibut longline vessel owners; and (2) a technical work group organized by the NMFS-AK region, for the purpose of completing the analysis of the sablefish preferred alternative, and to prepare an amendment of traditional management tools designed to address the problems in the sablefish fishery; and that potential sablefish and halibut quota share holders be surveyed as to their views on the two alternative amendments. This motion passed 8-5.

C-2 INSHORE/OFFSHORE

The AP heard a brief staff report and considerable public testimony on the inshore/offshore amendment package (18/23). The AP then passed the following motion:

We recommend the Council adopt Alternative 3.3, including the Council's list of working definitions and assumptions. As part of this action, the AP recommends the Council adopt the option designating the Bering Sea inshore/offshore operational area, and Assumption 2(a) with reference to mothership and floating processor operators. This motion passed 10-7.

Reasons some of those voting in favor are that this alternative addresses the preemption problem, that it maximizes the recovery from the resource and value to the nation as a whole and that it still allows factory trawlers to come to "shore" and buy additional resource from catcher boats.

Reasons some of those voting against this motion are this alternative will push factory trawlers into areas of higher bycatch, that its an allocation of processing privileges, that the factory trawlers are being preempted by it, and that it wasn't fair to put other (fixed gear) catcher processors into the inshore component. A minority report is attached to these minutes as Attachment A.

The AP then passed a motion to recommend the adoption of Alternative 7 as described in Attachment B to be enacted along with Alternative 3.3. Included in this motion was the recommendation that this alternative be expanded so that communities west of 170°W be allowed access to the Aleutian Island pollack TAC in the same way the communities north of 58°N were. This motion passed unanimously.

It was understood by the AP that the criteria for access for this part of the pollack TAC under Alternative 7 would be as per the attached plan. This plan is very similar to that in the sablefish IFQ proposal for disadvantaged communities. It is also the clear intent of the AP that the community must actively fish the TAC's rather than sell or lease them to an outside party. It's envisioned that a NMFS-style processor survey would be sent out annually to determine the level of interest and that 1993 would be the first year this plan would be in effect.

As part of this agenda item, the AP passed two additional motions.

Referencing Senator Stevens letter to Chairman Lauber of June 20, 1991, the AP recommends that the Council prohibit any harvesting or processing companies from participating in any fishery under the Council's jurisdiction if such vessel or processing facility is owned, or chartered, in whole or in part, by any corporation, partnership or person that also owns or charters, in whole or in part, a vessel that fishes in the Donut Hole, or in large scale high seas North Pacific driftnet fisheries. (Except for publicly traded corporations whose board of directors and officers are US citizens. The issue of exception is control.) This motion passed 14-0 with one abstention.

The AP also recommends that the Council implement the Americanization mandate of the MFCMA, and allocate pollack and pacific cod on the BS/AI/GOA as follows:

- A. The largest allocation of the pollack and pacific cod TAC's for the BS/AI and GOA shall be allocated to harvesters and processors who are 100% owned by US nationals. The exception for publicly traded corporations in the previous motion also applies to this motion. This allocation shall be made at a time of the year to achieve the greatest economic benefit for the truly American participants in these fisheries, known as the "A Allocation."
- B. A lessor allocation of the pollack and pacific cod TAC's for the BS/AI area GOA shall be allocated to harvesters and processors who are owned from 50-99% by US nationals. This allocation, called the "B Allocation" shall be made at a time different than the "A Allocation."

C. Any remaining (the least) allocation of the pollack and pacific cod TAC's for the BS/AI and GOA shall be allocated to harvesters and processors who are owned from 0-49% by US nationals. This allocation, called the "C Allocation" shall be made at a time different then the "A" and "B Allocations." (Except for publicly traded corporations whose board of directors and officers are US citizens. The issue of exception is control.)

This motion passed 11-5.

C-3 NORTH PACIFIC FISHERIES RESEARCH PLAN

The AP heard a staff report on the Data Committee meeting and reviewed their recommendations on the user-fee program.

The AP spent considerable time on this issue, identifying their preferred alternatives at the April meeting. The Data Committee used the AP recommendations as the basis for their discussions.

The AP recommends that the Council select Alternative 2 as defined by the AP in April for Secretarial review with a few modifications. The AP supports the concept that users of fishery resources should help pay the costs of the observer program. This motion passed 9-1.

When examining the Data Committee's summary (see Item C-3(a)), the AP's recommendation addresses the issue highlighted by the Data Committee.

- (1) Plan fisheries will include all groundfish, halibut, king and Tanner crab and herring fisheries. The AP is of the opinion that all these fisheries benefit from the Council's groundfish observer program and the bycatch management program is dependent on that data.
- (2) Both retained catch and discards will be subject to user-fees except king and Tanner crab discards in crab fisheries.

The AP also suggests that should an initiative be undertaken to raise the 1% cap specified in the MFCMA, that a written observer plan be available for public review which states its goals and objectives, and a detailed budget showing justification for revising the cap.

C-7 HALIBUT MANAGEMENT

The AP received a report from staff regarding the proposed schedule regarding analysis of IFQ alternatives for the halibut fisheries. The general sentiment of the AP was to follow the same line of reasoning with which we made our recommendation concerning sablefish; i.e., that the Council select a preferred alternative from among the current list and proceed with an analysis of that alternative versus traditional management tools. Implicit in this line of reasoning was that the current halibut EIS <u>not</u> be sent out for public comment.

However, the AP heard advice from staff indicating that a range of possible IFQ provisions should be sent out for public comment to allow affected persons to comment meaningfully on the options and allow the Council to therefore make a more informed decision concerning a specific preferred alternative. A motion was then passed to recommend to the Council to send the draft EIS out for a public comment period with the following provisions:

1. A tentative preferred alternative be identified by the Council. This might be defined by action on the sablefish agenda item.

- 2. The EIS incorporate a "use it or lose it" provision among the option would be to limit leasing/or prohibit sale of the QS/IFQ's and therefore, eliminate windfall profits. Unused QS would revert to a pool and be distributed, by some mechanism, to potential new entrants.
- 3. In September, the Council would select a final preferred IFQ alternative and analyze this against specific traditional management measures as identified by the 2 ad hoc committees as recommended by NMFS. Current permit holders would be explicitly solicited for their comments on the IFQ preferred alternative as opposed to the traditional management tools identified. This motion passed unanimously.

C-8 FUTURE MANAGEMENT PLANNING

The AP reaffirms its position in support of a moratorium as defined at the April meeting, with the current cut-off dates contained therein. A provision should be included that, should the fishing season be delayed in 1992, the secondary cut-off date for landings would be adjusted accordingly. This motion passed unanimously.

D-1(a,b) GROUNDFISH

The AP heard from NMFS on the status of various emergency rules and amendments, a staff report on the amendment package, and public testimony.

Relative to the experimental fishing permit amendment, the AP recommends to the Council that the FMPs be amended to allow experimental fishing permits as follows:

- 1. Allow the Regional Director in consultation with the Alaska Fishery Science Center, to review applications for such permits.
- 2. If considered by Regional Director and Alaska Fishery Science Center to be without merit, such permits will be denied.
- 3. If accepted, the permits will be:
 - (a) noticed in the federal register and noticed by news release and comment period will be allowed.
 - (b) following the comment period, will be reviewed by a Council appointed Ad Hoc Committee, which will make recommendation to the Regional Director for final approval or denial of the permit.

It's intended by the AP in this motion that the criteria for application requirements and the grounds for denial will be those set out in Alternative 2 of the EA/RIR. Further, the AP recommends that a permit should be renewable only to complete an experiment and not continue it indefinitely. This motion passed 11-1.

In passing this motion, the key issues for the AP were; (1) the ability to allow for experimental fishing; we think the Council needs this mechanism in place and (2) adequate public oversight of the permitting process.

Relative to establishing a fishing closure around the Walrus Islands; the AP recommends the Council adopt alternative 2 with a transit zone for fishing vessels around Right Hand Point. This transit zone is defined as the area 3 miles seaward of Right Hand Point. Further, the AP recommends this closure will be reviewed automatically in 5 years, but will remain in effect afterward unless the Council repeals or modifies it. This motion passed unanimously.

There was consensus on the AP that this closure will give the walrus haul-out areas adequate protection and allow fishing vessels access to Togiak Bay without violating the closed zone (since the definition of fishing included transit).

Relative to Rescinding Area 68, the AP recommends the Council adopt Alternative 1, status quo. This motion passed unanimously.

The AP understands that reporting requirements for fishermen are slightly more burdensome under status quo. However, based on discussion with NMFS, ADF&G, and Council staff, the AP sees in lumping the areas together, significant risk in terms of closures of halibut and possibly sablefish due to ABC's for Demersal Shelf rockfish being reached. Since the Demersal Shelf rockfish group is at this point, only significant east of 137 W, this is the only area that risks closure. The AP proposed to keep it this way until more is known about Demersal Shelf rockfish resources in Area 68.

Relating to the establishment of a Bogoslof district, the AP heard testimony that the Aleutian Basin pollack are thought to be biologically different and separate than the Aleutian Island or Bering Sea pollack. The AP recommends that the Council adopt Alternative 2, Option 1 with an area defined as Attachment C. This motion passed unanimously.

The rational for this proposed area is that it encompasses the migration path of the Aleutian Basin pollack and tends to protect the stock that's been heavily impacted in the Donut Hole.

Relating to groundfish pots, the AP recommends the Council adopt Alternative 4. It's understood by AP that there is an adequate registration system in place and our purpose in recommending Alternative 4 is to implement a groundfish pot tagging system. Groundfish pots would be identified as such by suitable waterproof material tags. It's clearly the fisherman's responsibility to make sure the pot is identifiable. This motion passed unanimously.

D-1(c,d,e)

Regarding an increase in deep water flatfish TAC in the Gulf of Alaska, the AP recommends the Council increase the deep water flatfish TAC up to 25,000 mt with the following as conditions:

- (1) this fishery will not start until the halibut fishery in the GOA is finished.
- (2) the fishery will stop once the Central Gulf trawl TAC of sablefish is reached.
- (3) <u>all</u> harvesting vessels will have 100% observer coverage. This includes even vessels that deliver cod ends to processors.

This motion, amended several times, passed 12-1. The AP is in favor of this fishery since TAC's for deep water flats were purposely set at low levels last December due to bycatch considerations and there is now bycatch available. Further, the observer requirement will provide valuable bycatch data for future fisheries.

The AP recommends the Council direct its staff to begin immediately working on an FMP amendment that addresses exclusive area registration for all pollack and Pacific cod harvesting vessels of all gear types. At this point, the AP's intent is that the exclusive areas should be BS/AI and GOA. A vessel fishing pollack or Pacific cod in either area would have to wait for a 30 day non-fishing period before changing to the other area. Further, the intent is that this would be in effect by 1992. This motion passed 7-4. A minority report is attached to these minutes as Attachment D.

D-2 Groundfish

The AP heard staff reports and public testimony on item D-2. It then took the following action:

In terms of bycatch amendment priorities, the AP recommends the Council adopt its list (Attachment E). This motion passed 9-4.

In terms of herring bycatch, the AP recommends that the mid-winter herring savings area identifies in Amendment 16A remain in effect and not be altered in 1991. If new data shows additional area needs to be closed, NMFS should use hotspot authority to close it. This passed unanimously.

MINORITY STATEMENT ON AGENDA ITEM C-2 INSHORE/OFFSHORE ALLOCATION

The Council analysis of the inshore/offshore allocation amendment states that "the risk of one industry sector preempting another is a direct result of overcapitalization within the pollack and cod fishery" and "the pervasive overcapitalization problem is not resolved effectively by any of the proposed alternatives." Further, the analysis reveals that none of the allocation alternatives address conservation needs and, in fact, the analysis implies that bycatch problems may be increased by the allocation alternatives. Rather than adopting any of the allocation alternatives, none of which provide an effective solution to the problem and all of which would be unduly disruptive of operations by the sector of the industry not receiving a preference, we suggest the Council take the following action:

- 1. Continue the current restrictions on roe stripping
- 2. Establish registration areas whereby the offshore fleet (factory trawlers and motherships operating at sea) would be required to fish for pollack and for cod in the Bering Sea/Aleutian Islands area or in the Gulf of Alaska for the entire year. This would spread the effort consistent with the distribution and abundance of fish, would bring order to the operations of the offshore fleet, and would protect Kodiak and the other areas in the Gulf from the disruption which started this issue.
- 3. Immediately impose a moratorium and begin development of an ITQ program or other effort control systems which would curb the overcapitalization problem and provide reasonableness and order to the fishery.
- 4. Continue its efforts to ban all fishing (domestic and foreign) in the donut hole.
- 5. Change the opening date of Bering Sea/Aleutian Islands pollack fishery to September 1, 1991 in order to maximize product quality, maximize utilization, and minimize bycatch.

Bering Sea/Aleutian Island Pollack Disadvantaged Fishing Community Allocation

In order to ensure that trawl fishing vessels associated with eligible communities within the geographic jurisdiction of the Council, as designated, have reasonable access to and opportunity to develop substantial commercial fisheries under the authority of the Council, the Secretary may approve community development quotas in accordance with the following provisions:

- 1. The Governor is authorized to recommend to the Secretary that a Bering Sea Rim community be designated as an eligible economically disadvantaged fishing community. To be eligible, a community must meet all the following conditions:
 - (a) be located on the coastline at a site accessible to commercial fishing vessels and the pollack fishing grounds;
 - (b) be unlikely to be able to attract and develop economic activity other than commercial fishing that would provide a substantial source of employment;
 - (c) have culturally and traditionally engaged in and depended upon fishing in the waters off its coast;
 - (d) have not previously developed harvesting or processing capability sufficient to support substantial participation in the commercial groundfish fisheries because of a lack of sufficient funds for investment in harvesting or processing equipment; and
 - (e) have developed a fishery development plan approved by the Governor of the requesting State that includes arrangements to:
 - (1) acquire or charter with U.S. fishing vessels for the development of commercial pollack fishing based in the Bering Sea and Aleutian Islands.
 - (2) provide employment of persons in the community and otherwise contribute to the economic development and improvement of the community as a whole; and;
 - (3) provide sufficient financing to implement the plan successfully.
- The Governor shall develop such recommendations in consultation with the North Pacific Fishery Management Council.
- 3. The Governor shall forward any such recommendations to the Secretary, following consultation with the Council. Upon receipt of such recommendations, the Secretary may designate a community as an eligible economically disadvantaged fishing community if:
 - (a) the community meets the criteria set forth in (1) above; and
 - (b) the Secretary finds that the State has reasonable assurance that sufficient financing and other arrangements will be available to implement the plan successfully.
- 4. Not more than a total or 4% of the Bering Sea/Aleutian Island total allowable catch of pollack in the first year of this program, graduated to ten percent if being used by the third year, may be utilized in aggregate by designated eligible economically disadvantaged communities. No community may be designated as an eligible economically disadvantaged community for more than 10 consecutive or non consecutive years. In any program year, the Council may decide at its fall meeting to roll-over projected unused portions for fourth quarter re-allocation. The annual allocation will be subtracted equally from any inshore-offshore allocation in existence in the BS/AI, and be re-allocated if necessary in the fourth quarter in similar proportions.

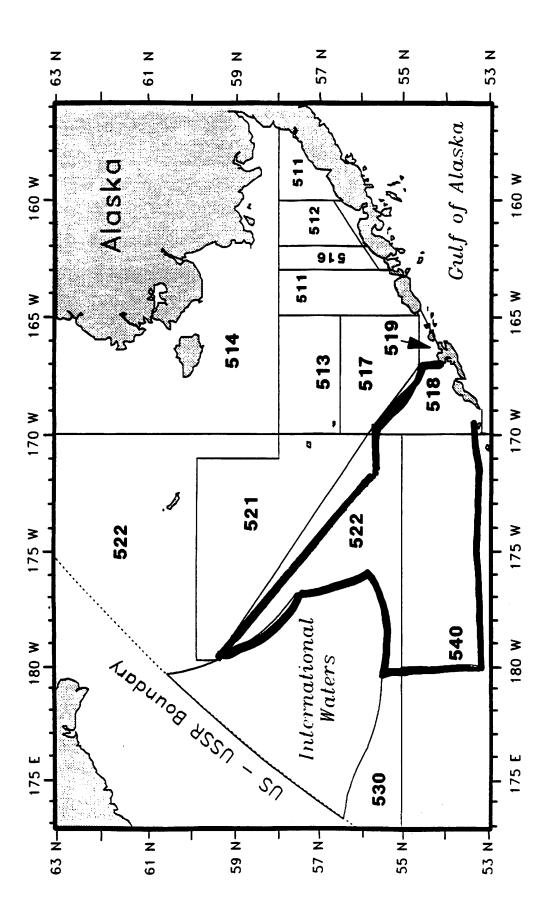


Figure 2. Proposed Bogoslof District (Area 518)

Minority Report

Exclusive area registration definitely is a management tool worthy of consideration. However, we feel it is another "band aid" approach. It does not address the numerous problems of preemption, the race for fish, overcapitalization, bycatch and full utilization.

To overload the Council's agenda without giving full priority to these issues, is unconscionable.

Signed:

Phil Chitwood George Anderson Jack N. Miller Dave Fraser

AP Recommendations for Bycatch Amendment Priorities

- 1. Develop a plan amendment to reduce salmon bycatch in the trawl fisheries of the BS/AI and GOA, to include time and area closures, rates and overall caps with apportionments to individual fisheries, if necessary.
- 2. Develop an out of cycle plan amendment to prohibit trawling in that portion of the Eastern GOA, east 140° west longitude.
- 3. Develop a plan amendment to create a fixed gear preference for Pacific cod in the BS/AI to reduce the bycatch of prohibited species.
- 4. To examine alternate opening dates for fisheries to maximize groundfish and minimize bycatch with specific reference to GOA rockfish and deep water flats vs. salmon and halibut and a general delay of all groundfish fisheries in the BS/AI and GOA (openings must be concurrent).
- 5. Review BS/AI halibut PSC cap options in reference to the NPFMC 1983 FMP PSC requirements in regards to foreign fisheries.

Reduce BS/AI PSC cap 10% per year to achieve a 50% reduction within 5 years.

In any given year, when 85% of the PSC cap is reached, there will be time and area closures and the closure of the fisheries to ensure that the PSC cap will not be exceeded. When 100% of the PSC is achieved trawl fisheries which take halibut will be shut down.

Analysis is recommended of the IPHC proposal to change the halibut bycatch accounting system in the BS/AI to mortality, rather than catch.

- 6. Administrative Technical recommendations:
 - (a) Enhance Hotspot Authority and extend to GOA; redefine and specify triggering criteria as recommended in NMFS briefing paper.
 - (b) Improve current incentive program. Include MW pollack fishery to address compliance with problems with pelagic gear definition. Include examination of individual bycatch account approaches.
- 7. Review PSC allowances in BS/AI:
 Specify separate bycatch allowances for Pacific cod/bottom trawl pollack fishery.

Additionally for priority attention in 1992 amendment cycles:

- (a) Endorse the NPFMC Advisory Panel recommendation to include weighing or volumetric measurement of the groundfish fisheries in the BS/AI and GOA in the North Pacific Fisheries Research Plan.
- (b) Start the analysis of the approved plan amendment to do seasonal apportionment of Pacific cod in the BS/AI.