

# North Pacific Fishery Management Council

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## FINAL ADVISORY PANEL MINUTES April 5-8, 2016 Anchorage, Alaska

The following members were present for all or part of the meetings (absent ~~stricken~~):

Ruth Christiansen	John Gruver	Joel Peterson
<del>Kurt Cochran</del>	Jeff Kauffman	Theresa Peterson
John Crowley	Alexus Kwachka	Jeff Stephan
Dan Donich (Thu-Fri)	Craig Lowenberg	Ben Stevens
Jerry Downing	Chuck McCallum	Matt Upton (Co-Vice Chair)
Angel Drobnica	Art Nelson (Co-Vice Chair)	Ernie Weiss (Chair)
Jeff Farvour	Paddy O'Donnell	Sinclair Wilt

### **C1 Scallop Management**

The AP recommends the Council adopt the 2016 Scallop SAFE report. *Motion passed 19-0.*

### **C4 Salmon Genetics Data Update and Spatial/Temporal Refinement**

The AP agrees with the recommendations from section 3 of the salmon genetics workgroup report. The AP recommends the Council request the workgroup to explore the utility of obtaining and analyzing Chinook bycatch samples from the non-pollock sectors in both the Gulf of Alaska and in the Bering Sea; and further to include the updated AEQ model for Chinook salmon in the Bering Sea and Aleutian Islands. *Motion passed 19-0.*

#### Rationale:

- The AP wishes to thank the workgroup for their effort and supports the recommendations found in section 3 of their report.
- The request of the workgroup to examine the utility of gathering Chinook bycatch samples in the non-pollock trawl fisheries of the GOA and BSAI may include required/regulatory avenues and/or through voluntary work with the industry.
- Under regulations, Rolling Hot Spot closures are made strictly on the number of chums taken as bycatch, regardless of their origin. If genetics work could focus on chum salmon by week and ADF&G statistical area, hot spot closures would be able to close areas to best protect western Alaska-origin chum salmon.

## C5 AI Groundfish Offshore Sector: Limited access and Pacific cod A/B season split

The AP recommends the Council request that staff develop an expanded discussion paper to look at the overlap with the Bering Sea groundfish fisheries.

*An amendment to add the following language to the motion passed 13-6.*

The AP directs that the discussion paper include:

- An expanded **discussion analysis** of establishing a seasonal A/B apportionment of Pcod in the AI Pcod federal fishery. The **discussion analysis** will explore conservation and management issues surrounding the establishment of an A/B split. *Amendment to replace the word “analysis” with “discussion”, throughout this amendment, passed 18-1.*
- **Discussion Analysis** would include the potential for ITAC mt thresholds (example: 10 K, 12.5 K, 15 K, 17.5 K, 20 K+ etc) to implement an A/B split.
- **Discussion would include the potential for ITAC mt thresholds (example: in terms of percentages 5%-30%) to implement an A/B split.** *Amendment adding bullet, passed 18-1.*
- **Impact of revised SSL restrictions and January 1 start date on FLC sector’s ability to access AI cod early in the season.** *Amendment adding bullet, passed 19-0.*
- **Look at ability of CDQ groups to harvest AI quota in context of A/B split.** *Amendment adding bullet, passed 19-0.*

*Final motion, as amended, passed 12-7.*

### Rationale in Support:

- The Council has struggled with how to deal with cod allocations in the AI. An A/B split won’t address all the issues, but helps address many of the issues.
- If AI cod stocks increased, it would be important to have an A/B split in the AI to help facilitate a more dispersed Pcod fishery in the AI than under the status quo, without delving into divisions between gear types or other, more specific allocations. The current SSL measures do not address what happens if the AI cod stock increases, and there are benefits to dispersing effort.
- Fixed gears sectors have historically fished AI p-cod in the A and B season but after 2011 and the implementation of the 2010 BiOp and Pcod ABC split, the B season was greatly reduced, disappeared in 2014, and has not occurred in subsequent years under the new SSL measures and low TAC. An A/B split facilitates an opportunity for the fixed gear sectors to harvest later in the year, when it is safer and more efficient to operate.
- An expanded discussion paper on the overlap of AI trawl fisheries with the Bering Sea will help provide more context on the spill-over effects that occurs if any management action is taken.

### Rationale in Opposition:

- An A/B seasonal split of AI cod isn’t necessary because under the revised SSL restrictions the HAL CPs have been largely given access to their historical grounds starting Jan 1.
- The HAL CPs loss of access to AI cod is driven by low TACs. A seasonal split becomes a defacto sector allocation to the HAL CPs because the biology of fish doesn’t support directed cod trawling in the B season.
- As the analysis points out, the A/B seasonal split could complicate recent actions to provide stability to AI shoreplants and likely has no conservation, or management benefit.

- An expanded discussion paper on the overlap of AI trawl fisheries with the Bering Sea is too vague, and doesn't provide the analyst with enough direction. A better approach would be to take no further action until the effects of recent changes to the SSL restrictions and Council's action to prioritize cod deliveries to Adak become more apparent.

## **C6 BSAI Halibut Abundance-Based PSC Limit**

The AP recommends the workgroup continue to develop strategies for abundance-based halibut PSC management. To guide next steps, the AP recommends the Council include **the following objectives in the development of a purpose and needs statement:** ~~their direction to the workgroup the following elements:~~ *Amendment passed 19-0.*

- Fixed yield based halibut PSC caps are inconsistent with IPHC management of the directed halibut fisheries and Council management of groundfish fisheries, which are all managed on an abundance basis.
- **Currently available tools are not adequate** ~~Managers currently lack the tools~~ to control total mortality and protect the future spawning capital of the halibut stock, particularly at low levels of abundance. *Amendment passed 19-0.*
- The Council is concerned about impacts to directed halibut fisheries and fishery dependent communities under the current bycatch management system.
- The Council is exploring representative indices and alternative abundance-based halibut PSC management approaches to determine if a more equitable and conservation-based strategy can be identified.

In addition, the AP believes the workgroup should:

1. Provide opportunity for public involvement;
2. Focus on identifying appropriate abundance-based indices as a first priority;
3. **Encourage further research on migration and the natural mortality of halibut that could be incorporated.** *Amendment adding item 3, passed 16-3.*

**The AP further recommends an expanded discussion paper on the harvest control rule and how that affects indices.** *Amendment passed 19-0.*

*Final motion, as amended, passed 19-0.*

### Rationale:

- Choosing a specific index to recommend being used at this point would be risky because of the limitations of using each of the surveys in isolation and the additional work that needs to be done to develop an integrated model-based index.
- Decisions around choosing a control rule should come after an index has been decided on because the control rule will impact fishing opportunities and be controversial.
- Wider public involvement in the working group will help stakeholders have a better understanding of the different decision points and the consequences so action can be taken.
- Even though migration and natural mortality studies of halibut are time consuming, they provide important information that may be incorporated into an abundance-based approach to PSC management, and further research should be encouraged.

- AP members would like more information to help inform the decision points for both the control rule and indices, these are significant decision points which will drive the subsequent action and a more comprehensive understanding of the implications is important at this time.
- Abundance-based management to rebuild the halibut fishery could be implemented with starting baseline limits at some level, but some members of the AP believe those bycatch limits are currently still too high.
- Some members of the AP thought an abundance based approach to halibut PSC management doesn't necessarily entail a halibut reduction because any cap would float with the abundance of the stock.

## **C7 Halibut DMR Methodology**

The AP recommends that the workgroup continue to explore short-term items for improvements in DMR's including:

- Look at adequacy of sample size in viability assessments and set a standard for a minimum number of samples to assess viability in determining DMR's.
- Explore ability of observers to access the discard point on vessels.
- Continue to use randomized sampling for viability testing.
- Look at release methods in the longline fleet to determine representative behavior.
- Analyzing dropping the delineation between CDQ and non-CDQ sectors.
- Provide opportunity for public participation in the workgroup.

*Motion passed 19-0.*

### Rationale:

- AP members believe it is important to address short-term issues identified in the discussion paper while long-term DMRs are considered.
- The reduction of viability test in some sectors raised concerns for overall accountability. AP members would like a better understanding of why the reductions are occurring and actions to address the disparity.

## **D1 EFH 5-Year Review**

The AP recommends the Council ask stock assessment authors to review the maps of Essential Fish Habitat (EFH) for all FMP species based on new modelling approaches available since the last EFH 5-year review and select a representative EFH map for each life stage of the FMP species. Further, the AP recommends the Council ask the Plan Teams (and SSC) to review each of the stock assessment authors' suggested maps and make recommendations as the Plan Teams deem appropriate. Potential revisions to currently defined EFH for FMP species can be undertaken, as warranted, based upon recommendations made from the Plan Teams (and SSC).

*Motion passed 18-0.*

### Rationale:

- The EFH 5-year review will include new information that was not previously available which should allow for more informed delineations of EFH relative to the existing definitions in the FMPs.

- The motion is directly responsive to the stock assessment author recommendations but takes this action item to the next step of plan team involvement as outlined by staff. Any analyses to redefine EFH for FMP species will be better informed by the plan teams and SSC recommendations.
- Scallops and GOA sculpins and Arctic cod, saffron cod, and snow crab in the Arctic were not included as species exceptions (as recommended by the stock assessment authors) for potential EFH redefinition in order to preserve opportunity to modify habitat delineation based on the availability of future information.
- Recommending a change in the definitions isn't necessary at this point, and if done could lead to having to reconsider EFH if the definition is revised to no longer cover the current EFH areas.

## C9 Charter Recreational Quota Entity

The AP recommends that the Council **not release the analysis for public review but instead bring it back as another initial review analysis with the changes outlined** (in bold or ~~strikeout~~). ~~I choose to highlight the RQE committee recommendations, because I support them in the following motion.~~

*Amendment to motion passed 16-4.*

### Purpose and Need Statement

Alaska's guided halibut anglers have seen recent increases in regulatory restrictions due to declining halibut stocks and guided recreational allocations. A market-based mechanism for the guided halibut recreational sector may be an effective means to supplement their annual allocations. Allowing an RQE (Recreational Quota Entity) to hold a limited amount of commercial halibut QS on behalf of guided recreational halibut anglers under a "willing seller and willing buyer" approach may result in less restrictive annual harvest measures for guided recreational anglers in times of low halibut abundance, while complying with total halibut removals under the guided halibut catch limits determined by the International Pacific Halibut Commission. The guided recreational halibut allocation under the Halibut Catch Sharing Plan would be combined with the halibut quota share held by the RQE to determine the annually adjusted total guided halibut allocation. The total allocation would be the basis for the determination of appropriate management measures for the guided halibut sector each year. The intent is to consider such a mechanism without undermining the goals of the halibut IFQ Program or significant adverse impacts to other halibut sectors.

ALTERNATIVE 1. No Action

ALTERNATIVE 2. Establish a Recreational Quota Entity (RQE) as a qualified non-profit entity to purchase and hold commercial halibut catcher vessel QS for use by the guided halibut sector

#### Element 1. Number of entities

- Option 1. Two entities, one for each IPHC Regulatory Area 2C and 3A
- Option 2. One entity with two area quota pools, Area 2C and Area 3A

Element 2. Restrictions on transfers. Two-way transfers are allowed. Quota class and block designation is retained if the quota is transferred back to the commercial sector. (Options below are not mutually exclusive)

- Option 1. No restrictions
- Option 2. Annual limit on transfers to the RQE in each regulatory area (Area 2C and 3A):  
.5%, 1% - 5% of commercial QS in each area (2015)

*Amendment to add .5% passed 20-0.*

- Option 3. Total (cumulative) limit on amount held by RQE by regulatory area (Area 2C and 3A)
  - Sub-option 1. 5% - 20% of commercial QS based on 2015
  - Sub-option 2. 5% - 20% of each class of QS based on 2015
  - Sub-option 3: 5-20% of commercial QS by regulatory area (2C/3A) with ¾ of cumulative cap available for purchase by RQE (2015 QS pool) and ¼ available to lease through GAF program (based on annual QS pool). RQE/GAF ratio reviewed every 5 years.**

*Amendment to add sub-option 3 passed 16-4. Amendment to change upper end in suboption 3 to 20% passed 20-0.*

- Option 4. Restrictions on RQE quota share purchases (in either or both areas)
  - Sub-option 1. Restrict purchase of D class quota shares (limits selected under Option 2 and 3 are calculated excluding D class QS).
  - Sub-option 2. Restrict purchase of blocked QS by class that equates to (≤1500 lb or ≤2000 lb in 2016 lb)
  - Sub-option 3. Restrict purchase to unblocked QS**

*Amendment to add suboption 3 passed 18-2.*

Element 3. Setting of annual charter management measures. Use RQE quota share holdings as of October 1 each year as the basis to estimate IFQ pounds to add to the estimated guided recreational allocation under the catch sharing plan for the upcoming year. This amount must be maintained for the following fishing year. This estimated combined allocation would be used to recommend the guided recreational harvest measures for the following year. The procedural process steps and timeline would remain unchanged.

- Option 1. If the RQE holdings provide a charter harvest opportunity greater than the unguided recreational bag limit in either area, NMFS would not issue annual IFQ in excess of the amount needed for the charter sector to obtain the unguided recreational bag limit to the RQE for that area. Unallocated RQE IFQ would be reallocated as follows:

**Suboptions 1-3 would be offset by a 5%, 10%, 15% reduction that would be left in the water for conservation purposes.**

*Amendment to add to suboptions 1-3 passed 14-5.*

- Sub-option 1. Equally to all catcher vessel QS holders which hold not more than 1,500 to 3,000 pounds in 2016 pounds (by area, proportional to QS holdings)
- Sub-option 2. Equally to all catcher vessel QS holders (by area proportional to QS holding)
- Sub-option 3. CQEs actively participating in Area 2C/ 3A
- Sub-option 4. Unallocated RQE IFQ would not be allocated (left in the water)

Element 4. Limit on use of RQE funds. RQE funds are limited in their use to acquisition of commercial halibut quota; acquisition of charter halibut permits; halibut conservation/research; promotion of the halibut resource; and administrative costs.

*Amendment to motion passed 20-0.*

Element 5. RQE Organizational Structure. The RQE shall consist of a board of ~~seven~~ **eleven** people and shall include the following: ~~4 CHP holders, 1 commercial halibut quota share holder, 1 community representative (not a holder of a CHP or commercial QS),~~ **6 charter industry representatives from 3 each halibut management area 2C and 3A, 2 commercial halibut quota share holders, one from each halibut management area 2C and 3A, 1 community representative (not a holder of CHP or commercial QS) from halibut management area 2C, 1 community representative (not a holder of CHP or commercial QS) from halibut management area 3A,** and commissioner of Alaska Department of Fish and Game, or designee.

Option 1. A representative of the Alaska Department of Revenue shall sit as an ex-officio member of the RQE board.

Option 2. RQE board terms shall be for [options: 3 or 5 years].

Option 3. The RQE shall hold no less than two board meetings annually.

Option 4. The RQE shall file an annual report detailing RQE activities during the prior year.

ALTERNATIVE 3. RQE purchase of charter halibut permits. The RQE shall be limited in the purchase of charter halibut permits to [options: 10% - ~~30~~**50**%] of the permits in each area.

*An amendment to add Alternative 3 back into the analysis with an upper range of 50% passed 16-4.*

*Final motion as amended passed 18-2.*

Rationale in **Opposition** to Motion:

This document is about compensated reallocation, which is very different than annually leased GAF. The charter sector acknowledges the concerns from the longline sector that the cumulative total of RQE holdings should not exceed the ranges in the GAF program. However, it is a long road before the combined cumulative effects of GAF and RQE become a problem.

Rationale in **Opposition** to amendment on leaving fish in the water (Element 3 suboptions):

- Purported "conservation" measures would only apply when the RQE is required to transfer IFQ back to the commercial sector.
- The commercial halibut sector consistently leaves fish in the water by not fully harvesting the annual area commercial IFQ.
- There is no problem to address with the addition of this sub option.

Rationale in **Support** of the motion: (all from Jeff Farvour)

- Although the document does a good job of describing the mechanics of the proposed RQE, the AP does not consider the analysis adequate in its assessment of RQE impacts on other sectors.
- Impacts to subsistence, sport and commercial fishermen could be significant and adverse. Some AP members believe the document is incomplete in its evaluation of environmental impacts to the halibut resource and socioeconomic impacts to processors, support sectors, consumers and, especially, Alaska's rural communities.

- AP members also expressed concern about advancing this amendment without understanding potential funding mechanisms and who might bear the burden of the substantial QS costs should the RQE be formed and purchase halibut quota.

Rationale in Support of Crowleys amendment to keep Alt 3:

- The AP supports continued consideration of Alternative 3 as an integral part of this amendment package because: (a) Latent/unused permits have the potential to undermine stated goals of the RQE relative to purchasing sufficient quota to liberalize harvest measures; (b) Suspension of CHP permits is the one alternative that could accomplish RQE goals WITHOUT negative impacts to other sectors.

Rationale in support of Favour amendments relative to Alternative 2:

- The AP recognizes impacts to non-charter sectors and communities are contained by a cumulative cap on the amount of commercial quota that can transfer from commercial to charter sectors in anyone year and recommends adding an alternative for a cumulative limit on GAF and RQE transfer.
- To address concerns raised by analysts in Appendix B, the AP recommends an option that subdivides the limit between GAF and RQE with option to recalibrate every 5 years.
- Even with a 1% limit on annual QS purchase the RQE will be the largest buyer in the QS market which could distort markets and have a major effect on commercial halibut fishermen and recommends extending the lower limit of the range to .5%

*Minority Report on Releasing for Public Review: The minority felt that the document was ready for release to the public because it provides adequate information to make a decision. The RQE Committee is a stakeholder group tasked with providing the Council with solutions to the RQE without political spin. Their recommendations are consistent with my motion. Considerations for the directed longline fleet were included. Signed by: Daniel Donich, Paddy O'Donnell, and Matt Upton.*

## **D2 Groundfish Policy and Workplan**

The AP received a report on the groundfish workplan and saw no reason to change the current structure and made some suggestions to staff for the next review.

## **E Staff Tasking**

The AP recommends the Council initiate a discussion paper to identify administrative changes to streamline and improve the GAF program, including:

- A review of the Canadian model.
- Streamlining the use of GAF.
- How charter operators that are qualified, willing, and able may purchase IFQ.

*Motion passed 18-0.*

Rationale:

- The AP recommends that a discussion paper look at possible changes to improve the efficacy of the system.
- There appear to be both cumbersome administrative processes and possible changes to who can access GAF or QS.



- Addressing these concerns would be complementary to the overall RQE/GAF concept

The AP supports scheduling initial review/final action for the Bairdi crab custom-processing cap agenda item for the June 2016 Council meeting.

*Motion passed 19-0.*

Rationale:

- No other solutions; this action addresses issue raised in the NMFS B2 report. Cannot take emergency action twice, can ask for extension but would not carry through 2017 season. In order for NMFS to put final rule in place for 2017, need final action at June 2016 meeting.
- Taking no action could leave 10% of bairdi A-share IFQ/IPQ stranded.
- It is not just a processor issue but affects all participants in the crab industry.

The AP recommends that the Council initiate a discussion paper to look at eliminating regulatory discards due to seasonal restrictions of rockfish prior to the rockfish start date of May 1st for vessels that have LLPs that are rockfish endorsed with Quota share units and are part of a Rockfish Co-op. Allow vessels that hold rockfish quota share to retain incidental catch of rockfish outside of the rockfish program if they have available quota either per LLP or within a Co-op.

*Motion passed 19-0.*

Rationale:

- May 1 check in to rockfish program/Nov 15 check-out of Rockfish program...intent is to eliminate discards and waste; simple fix deduction of QS based on fish ticket. If catch is prior to May 1 they have to discard over the MRA (5%).
- If someone were to target they would run the risk of damaging other fish onboard as rockfish are spiny and likely to damage other species.
- Relieves the problem of throwing away valuable species that are dead.