



NORTH PACIFIC FISHERY MANAGEMENT COUNCIL

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Action Memo

File Number:Catch 18-007

Agenda Date10/1/2018

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William Tweit, Interim Chair
David Witherell, Executive Director

SUBJECT:

IFQ CQE fish up in 3A - Discussion paper

STAFF CONTACT: Sara Cleaver (NPFMC) and Stephanie Warpinski (NMFS)

ACTION REQUIRED:

- Review the discussion paper
- Decide whether further action is warranted

BACKGROUND:

In February 2018, the Council directed staff to produce a discussion paper on whether to allow Community Quota Entities (CQEs) in Area 3A to fish Category "D" (D-class) halibut quota on Category "C" (C-class) vessels after August 15th or September 1st. Current vessel size restrictions in Area 3A require that halibut IFQ derived from D-class quota shares (QS) must be harvested on a vessel < 35 ft LOA. The discussion paper responds to testimony from an active area 3A CQE group that severe weather events and/or disabled small vessels have led to CQE-held D-class IFQ in Area 3A going unfished by eligible residents, and that only larger (C-class sized) vessels have been available to fish quota in the later months of the season. A provision for 3A CQEs to fish D-class IFQ on C-class vessels (after a certain date) would allow CQEs to avoid revenue loss by allowing unfished D-class IFQ to be fished by a C-class vessel late in the season.

Vessel size restrictions were designed to maintain a diverse, owner-operated fleet and provide more entry-level opportunities in the IFQ fisheries. Originally, the Council wanted to ensure that D-class QS would continue to be available to new entrants and crew members that wanted to enter the halibut IFQ fishery. For this reason, CQEs were prohibited from holding D-class QS in Area 3A, due to concern that an influx of CQEs in Area 3A would drive up the market for D-class QS, and result in more expensive, and fewer available shares for individuals. In 2013, in response to public testimony, the Council approved GOA Amendment 94 which authorized the purchase of D-class QS by CQEs in Area 3A. Currently, one CQE in Area 3A holds D-class QS.

This paper provides an overview of applicable regulations pertaining to vessel size restrictions across regulatory areas. It also includes preliminary data on CQE participation in the commercial halibut IFQ fishery in Area 3A, an initial look at potential impacts of the action, and additional information for the Council to consider in its decision making.