ADVISORY PANEL Motions and Rationale October 5-9, 2020 - Webconference

C6 BSAI ABM

AP Motion 1

Abundance-Based Management of Halibut PSC limits

The AP recommends that the Council consider initiating another initial review draft of BSAI Halibut Abundance-Based Management of PSC Limits with the following modifications:

I. **Modify the Council Purpose and Need Statement** for this action as follows (proposed additions in underline and proposed deletions in strike-through):

ABM Purpose and Need:

The current fixed yield-based halibut PSC caps are inconsistent with management of the directed halibut fisheries and Council management of groundfish fisheries, which are managed based on abundance. When halibut abundance declines, PSC becomes a larger proportion of total halibut removals and thereby further reduces the proportion and amount of halibut available for harvest in directed halibut fisheries. Conversely, if halibut abundance increases, halibut PSC limits could be unnecessarily constraining. The Council is considering linking PSC limits <u>in the A80 sector</u> to halibut abundance to provide a responsive management approach at varying levels of halibut abundance. The Council is considering abundance-based PSC limits to control total halibut mortality, particularly at low levels of abundance. Abundance based PSC limits also could provide an opportunity for the directed halibut fishery and <u>promote conservation of the halibut resource protect the halibut</u> spawning stock biomass. The Council recognizes that abundance-based halibut PSC limits may increase and decrease with changes in halibut abundance.

II. **Modify the Council Objectives** as follows (proposed additions in underline and proposed deletions in strike-through):

Council Objectives for ABM:

- Halibut PSC limits should be indexed to halibut abundance.
- <u>Protect and conserve the halibut resource by reducing halibut mortality</u>, <u>Halibut spawning</u> stock biomass should be protected especially at lower levels of abundance.
- There should be flexibility provided to avoid unnecessarily constraining the groundfish fishery particularly when halibut abundance is high.
- Provide for directed halibut fishing operations in the Bering Sea <u>at a level that achieves</u> <u>equity through providing for the historic average proportion of directed halibut use from</u> <u>2002 to 2011.</u>
- Provide for some stability in PSC limits on an inter-annual basis.

III. **Modify the Alternatives** as follows (additions underlined and deletions in strike-through):

Alternative 1: Status Quo

Alternative 2: current Alternative 2

Alternative 3: current Alternative 3 (modified to have no floor)

Alternative 4: current Alternative 4 with changes to Element 1 (Starting Point) and Element 3 (Floor) as follows, to reflect the intent of the original alternative:

Element 1: Starting Point; Option 3, 2017 PSC use (1,167 917 mt)

Element 3: Floor; Option 4, 664 mt (adjusted for 2018 A80 proportional usage of 1,000 mt)

496 mt (the A80 proportion of the regulatory limit)

<u>Element 8: In the case of very low halibut abundance, the PSC limit will not be constrained by</u> <u>Element 3 (Floor) or Element 6 (PSC limit responsiveness)</u>

Alternative 5:

<u>Use a (4x2) lookup table using the setline and trawl indices to establish proposed PSC limits.</u>

| | | EBS shelf trawl survey index (t) | |
|--|-----------------|----------------------------------|---------------|
| | | Low | High |
| | | < 130,000 | > 130,000 |
| IPHC setline survey index in Area 4ABCDE (WPUE) | High | Medium | High |
| | <u>≥</u> 11,000 | 1,400 mt | 1,745 mt |
| | Medium | Low | Medium |
| | 8,000 - 10,999 | 1,100 mt | 1,400 mt |
| | Low | Very Low | Low |
| | 6,000 - 7,999 | 900 mt | 1,100 mt |
| | Very Low | Extremely Low | Extremely Low |
| | < 6,000 | 496 mt | 496 mt |

The Council may consider a mechanism to further reduce the PSC limit when the coastwide spawning stock biomass drops below B30.

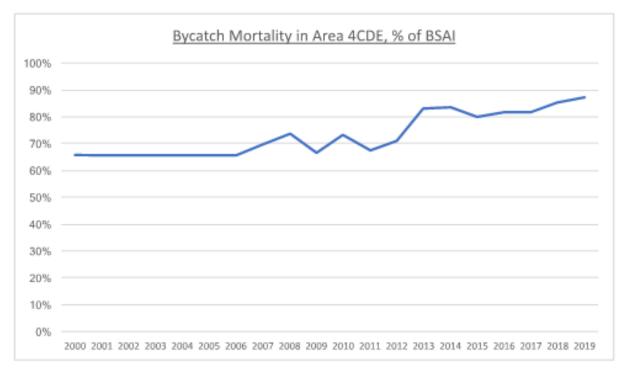
Element A below applies to ²<u>Alternatives 4 and 5</u> all alternatives

[±]Element A: Abundance Based Performance Standard

The Council will consider developing a performance standard addition to the ABM action that would apply to the rationalized A80 sector, and would include a system of incentives, rewards and penalties designed to encourage optimum halibut bycatch management. The performance standard will be based on PSC limits arrived at through an abundance-based approach.

Request for Analysis: Exploration of A80 PSC Spatial Distribution

The table below shows the rising percentage of bycatch mortality from Area 4CDE. This can cause disproportionate impacts to catch limits across IPHC regulatory areas in the BSAI. The potential for development of a performance standard relating to the spatial distribution of A80 bycatch mortality should be investigated through analysis of A80 bycatch mortality by IPHC regulatory area.



Request for Model Adjustments:

<u>Recommend work group test model assumptions relative to bycatch selectivity, migration, halibut</u> <u>maturity schedule, and the 4A/4B data split between Gulf and BSAI. AP recommends that work</u> <u>group draw on IPHC stock assessment and MSE models to inform process.</u>

Amendment to strike Element A: failed 8-14 Amendment 2: passed 22-0 Motion as amended: passed 15 -7

Rationale in Favor of Main Motion as Amended:

- This motion is responsive to public comment and consistent with the Purpose and Need Statement tying the Council action to halibut abundance. Within the alternatives, there are solutions that can restore a level of equity among user groups and conform to a broad range of National Standards.
- The operating model produced outcomes for the directed fishery under Alternatives 3 and 4 that appear to be significantly dampened, particularly when compared to those expected under the more familiar IPHC yield analysis. Further evaluation of the degree of uncertainty in the assumptions used in the model and identification of areas in need of potential refinement will be important in the next iteration of the analysis to determine if, and to what degree, model outcomes could be impacted.
- Changes were made to the model late in the review process that did not allow for thorough SSC review at this meeting; however, some areas of concern and refinement were identified in the SCC discussion and from the public that should be further investigated.
- Halibut fishermen, dependent communities, and the Amendment 80 sector can remain economically viable in their respective fisheries as long as management is designed to reflect a sharing of conservation when halibut abundance declines.
- This motion addresses the national standards regarding optimum yield (NS1), the use of best scientific information (NS2), equity in allocations (NS4), sustained community participation (NS8) and reducing bycatch to the extent practicable (NS9).
- This motion is responsive to guidance in the National Standards, NEPA, and other federal laws regarding responsibilities to provide for the livelihood and well-being of Indian Tribes and aboriginal peoples. The 17 Bering Sea halibut-dependent communities highlighted by the DEIS Social Impact Assessment are overwhelmingly Alaska Native and their residents are members of federally-recognized Tribes. Indigenous people from the BSAI region have been using halibut for time immemorial. Halibut remains important to a way of life, cultural continuity, and economic livelihood of Native Alaskans in this region, and should be acknowledged in future analyses.
- The SIA references evidence supporting over 10,000 years of dependence on marine resources by the inhabitants of the Bering Sea and the Gulf of Alaska, reflecting thousands of years of sustained participation in the halibut fishery.
- Abundance based management is consistent with the Council's management of other groundfish and bycatch species in the BSAI and should be adopted for halibut. The current management framework that allows for the prioritization of bycatch poses a real threat of the directed fishery in 4CDE being completely preempted if biomass continues to decline.
- Representatives from Native Alaska coastal communities and others referenced the environmental justice concerns related to this issue and how halibut dependent communities have been disproportionately impacted by reduced access to their fisheries. Federal law will require consideration for the environmental and economic impacts of this action on minorities and rural communities.
- Considerations for the cultural, social, and historical importance of this fishery on halibut dependent communities needs to be adequately considered. Due to the very distinct scales of

the directed halibut and A80 fisheries a dollar to dollar comparison offers an inadequate lens to assess the full impacts of this action.

Purpose and Need

• Changes to the Purpose and Need reflect: 1) the Council's decision to focus this action on A80, and 2) more broadly encompass that all sizes of halibut should be managed in a conservative and sustainable manner, not just the spawning biomass.

Objectives

- The change to the objective of protecting the spawning stock biomass is reflective of the recommended change to the Purpose and Needs statement, speaking to the protection and conservation of all sizes of the halibut resource at extremely low levels of abundance which is a standard practice in management of all species by the Council and should include halibut allocated to Amendment 80 as PSC.
- The second change is designed to assist the Council in restoring an equitable share of the halibut resource. As abundance has declined, a larger share of a smaller pie has gone to the PSC users, resulting in an inequitable sharing of halibut mortality. As such, the directed fisheries historical dependance and use has been eroded to extremely low levels, causing instability and uncertainty in the sector and halibut dependent communities. A key component of this action is to address equitable use as outlined in NS 4.
- The directed fishery was nearly put out of business in 2014 and 2020, with much uncertainty in the intervening years, effectively arresting long-term investment in the fishery, diminishing values and equity in quota and vessel assets, risking the prehistoric use of halibut for Alaska Natives, and communities dependent on halibut. Many small boat fishermen in the BSAI region have folded and are no longer in operation. Many of the remaining participants are struggling to hang on while they await meaningful results from this action.

Alternatives

- Removing non-A80 bycatch sectors from the analysis resulted in changes in the document that did not capture the original intent of the stakeholder's proposals. As such, this motion changes the two directed fishery proposals to their original intent by removing the floor from Alternative 3 and correcting the starting point and floor of Alternative 4 to reflect the A80 share of these parameters (971 mt and 496 mt respectively). Without these changes, the alternatives are severely weakened and cannot adequately respond to the Purpose and Need and Council objectives.
- Element 8 in Alternative 4 remains an important conservation component and is designed to go below the floor in extremely low abundance situations. All managed species fisheries in the Council purview operate with rules that include management responses to low levels of abundance.
- Alternative 5 was added to provide a different approach to meeting the objectives of Alternative 4 and element 8. Using a lookup table to arrive at abundance-based PSC limits is perceived by some to be more transparent and simplistic. However, the relative consequences

> of this alternative need further evaluation. The discussion paper highlights that a lookup table can be much coarser, and year on year changes in abundance that occur around a threshold value could make the PSC limit behave with volatility. Conversely, PSC may stay at a limit for long periods of time as abundance fluctuates, creating stability for A80 but potentially causing instability in directed fishery catch limits. The values identified in the lookup table will need further analysis and are an estimate of what PSC limits need to be at identified abundance levels to restore and provide equity to the directed fishery.

• The table includes a row to address times when the setline survey reaches a critically low point that reduces PSC to the (modified) floor. In addition, if the coastwide halibut spawning stock biomass reaches B30, Alternative 5 also encourages the council to consider further measures to address conservation and sustainability of the halibut resource.

Abundance Based Performance Standards

- A performance standard can be an important way to provide flexibility to the A80 fleet and additional benefits to directed users through potential bycatch savings.
- An additional performance standard is needed to address impacts on the spatial distribution of halibut PSC mortality in IPHC regulatory areas. Previous Council analyses have shown that under 70% of BSAI bycatch mortality was taken in area 4CDE between 1990 and 2005. Since this time, bycatch mortality has been increasing in this area, reaching a high of nearly 90% in 2019, compounding the already depressed fishery allocations in this area and leading to more instability in 4CDE communities and CDQ/IFQ fishers.

Rationale in Opposition to Main Motion as Amended:

- The analysis clearly demonstrates that the EBS bottom trawl and IPHC set line survey are not correlated with halibut PSC levels encountered by the Amendment 80 sector. As such, using them to establish PSC limits via a traditional control rule or via a lookup table will result in a PSC limit for the A80 sector that is not practicable for both unnecessarily constraining the A80 sector and minimizing halibut mortality. Such a PSC limit will often be opposite of what is occurring on the water with the A80 sector (i.e., increasing encounters with declining indices or decreasing encounters with increasing indices).
- It is unclear how the modified language of the Purpose and Need statement to focus on the conservation of halibut is measurable for comparison across the various Alternatives. Spawning stock biomass is the metric utilized by the Council for gauging the health of the majority of its groundfish fisheries. While the analysis shows that the current range of Alternatives have no significant positive impact on the halibut spawning stock biomass, it is necessary to retain this metric in both the Council's P and N and Objectives for this action in order to continue to be able to measure impacts across Alternatives.
- The modified language under Objective 2, to protect and conserve the halibut resource by reducing halibut mortality, is unattainable. The intent of this modification is to address all halibut mortality across all users of the resource, but the Council has no control over or input into the fishing mortality rates or directed fishery catch limits established by the IPHC.
- Trying to return the directed fishery to 2002-2011 catch levels, as stated in the modified language of Objective 4, is unrealistic. During this time frame, a significant retrospective bias

> in the halibut stock assessment led to the realization that fishing mortality levels and the FCEY had been set at unsustainable levels for directed removals. As such, using this time frame to establish a proportional share results in the numerator being inaccurate. When the realized error was corrected and propagated throughout the assessment, halibut abundance during that time frame was significantly lower than originally thought. As such, the dramatic declines seen in directed fishery catch levels since that time are a combination of both this correction coupled with a declining biomass. Further, this proportional ratio is not reflective of the reality of the directed fishery and its population impacts (e.g., directed fishery removals are all 032 fish that are almost entirely females).

- Establishing a starting point PSC limit that is more than 500 mt below recent halibut usage in the A80 sector will shut down multiple vessels, thereby significantly impacting vessel crew, companies, and the communities providing a multitude of services to these vessels. Further, a performance standard only works (provides incentive) if the cap is set at or above usage. If the cap is set below usage there will be no room for additional (improved) performance because the A80 sector will be unable to catch their target species resulting in significant economic losses. Setting a PSC limit below actual usage while simultaneously asking for adherence to a performance standard to stay further below the already constraining limit is not practicable. A management program intended to reduce halibut bycatch to the greatest extent practicable needs to focus on what is achievable in the A80 fishery while also allowing this sector harvest their allocations.
- The analysis showed that a reduction in the halibut PSC limit does not equate to a direct 1:1 increase to the directed halibut fishery. Other mechanisms beyond PSC reductions (within the IFQ/CDQ fisheries themselves) should be explored for the goal of providing additional access to directed BSAI halibut users given that the available catch amount in Area 4CDE is not always fully harvested.
- The A80 sector has shared in the conservation burden for halibut over the years and is currently fully utilizing all the tools available to the fleet to reduce halibut PSC to the extent practicable. The sector has experienced multiple reductions in halibut PSC limits. In the past such reductions have been associated with additional regulatory changes to make the realized reduction practicable (e.g., the formation of cooperatives, decksorting). All of these changes come at a cost to the sector.

Motion 2

The AP recommends that the Council integrate into the next Initial Review Draft the three major elements of the discussion paper as described in the "Approaches to Abundance - Based Halibut PSC Limits for the Amendment 80 Sector."

1) A Performance standard with incentives to reduce halibut mortality to the extent practicable;

2) Additional PSC reductions in years of low halibut catch limits of the 4CDE FCEY; and

3) Community allocations in years of low halibut catch limits to the extent legally permissible.

Motion failed 9-13

Rationale in Opposition:

- The intent of this motion is that it is not linked to halibut abundance, which is counter to this 'Abundance-Based Management for PSC Limits' action and its Purpose and Needs. While some aspects of this motion may have merit, such as a performance standard or additional consideration for PSC reductions at times of low abundance, these elements should be linked to a core management action tied to abundance.
- The FCEY aspect of the proposed A80 performance standard does not achieve an equitable sharing of the resource during times of low abundance for directed fisheries participants. If this concept is forwarded for analysis, reasonable values to achieve a fair historical percentage of the fishable biomass should be evaluated.
- As outlined in the discussion paper, the CDQ/community compensation element as proposed would require significant statutory changes and is not a concept supported by some Alaska Native representatives from within the region, as noted in public comment, testimony, and deliberations. Native communities are requesting an equitable sharing of the resource and responsible management of halibut PSC in the BSAI region. Additionally, this element ignores IFQ holders from within the region, state, and country and would further reduce the equity we are trying to restore through this action. This Halibut ABM action is not intended to be a specific CDQ or Western Alaska community action, rather its goals are focused around an abundance based approach to halibut PSC management for consistency with the way all other species are managed by the NPFMC, as well as providing for a directed fishery for all participants across the range of the halibut stock.
- The NPFMC does not set allocations, for PSC or otherwise, based on encounter rates in the groundfish fisheries, and do not use encounter rates to measure abundance. Numerous factors affect encounter rates, including operational decisions, gear selectivity, ocean temperatures and other spatial and temporal conditions. It is concerning that the abundance of halibut in 2019 decreased while encounters and mortality continue to increase. With proper abundance-based management, this would not be allowed to happen. Basing PSC limits on encounter rates could be very damaging to the halibut resource, or any other fishery managed in this way.

Rationale in Favor:

• Because of the concern that exists with the use of survey indices and the way in which they do not track with encounters of halibut in the Amendment 80 fleet, a performance standard

> approach for managing halibut PSC in the Amendment 80 fleet is a more tenable approach with a proven track record in other fisheries in both the Bering Sea and Gulf of Alaska. A performance standard for annually setting the A80 halibut PSC limit would move it away from a static amount (meeting the Council's P and N) and would better reflect the annual variability of halibut encounters, which are what actually dictate practicability in terms of halibut avoidance and NS 9.

- A performance standard is an adaptive management tool for dealing with the reality that in some years it can be easier or harder to avoid halibut for a variety of reasons that the survey indices are unable to track. Incentives of a possible performance standard approach can be two-fold: 1) more halibut PSC can be available to the sector for use at a later time if the sector remains below a certain level (carrot approach) and/or 2) the sector would be required to fish under a lower PSC amount for a specified time period if PSC levels are not achieved (stick approach). Specific numbers associated with a performance standard were intentionally not included as a part of the motion as it was felt that signaling support for the overall approach was most important at this time.
- While not a strict abundance-based approach, Area 4CDE FCEY is connected to abundance through the IPHC stock assessment and management process. The FCEY reflects the amount of fish that's available in 4CDE and, at levels the Council determines to be low, additional reductions in the A80 sector halibut limit could help achieve the Council's objectives of providing for a directed fishery. Under this component, both the directed fishery and A80 sector would be impacted by the FCEY if it is low. However, in a year where the FCEY is stable or increasing, it doesn't make sense to have the A80 sector have further reductions based on the indices or a lookup table.
- While there may be some concerns with tying Council management triggers to the IPHC decision-making process, this component is reflective of the reality of the two differing management structures. It is recognized that there are political considerations that go into the IPHC's determination of area-specific FCEYs each year. However, modification to the Council's fourth ABM objective in the motion above is based on historic FCEYs so use of FCEY in the second component of this motion is in line with that approach.
- A legal mechanism for granting a portion of the FCEY, made available by a reduction in halibut PSC by the A80 sector, to benefit halibut dependent communities in the BSAI should be explored. Communities in the BSAI could benefit from some entity able to hold quota. Future analysis should provide potential options for establishing an entity with the singular focus of holding halibut quota specifically for directed halibut fishing by people living in AK communities.