

5.B(2)

134th SSC

SSC Subgroup comments and recommendation to SSC

NS1 Technical Guidance for Designing, evaluating, and Integrating Carry-over and Phase-in Provisions within ABC Control Rules

SG Members: Frank Camacho, Domingo Ochavillo, Ryan Okano, Craig Severance , Michael Tenorio

Overview

Guidelines are being drafted by NMFS regarding carry-over and phase-in provisions in NS1 for consideration by Fishery Management Councils. These guidelines specifically address:

- Carrying over a portion of the unharvested ACL to a subsequent year
- Phasing-in changes to new ACL

There are several approaches that were provided in the document to address these issues as well as factors to consider when evaluating the appropriateness of a carry-over or phase-in for a particular stock.

Briefly, carry-over can benefit fisheries in several ways, including removing incentives to fish during dangerous fishing conditions or poor market conditions. Carryover may also reduce the risk of overages and discards. However, carry-over must be applied cautiously, such as for stocks with short life spans and high natural mortality or for stock complexes. Any overages in the ACL should also be carried over (i.e., Pay-back).

Phase-in of new ACLs may also benefit a fishery by providing more stability to the industry. However, carry-over and phase-in schemes must prevent overfishing and any approach that would result in exceeding the overfishing limit (OFL) should be avoided.

SSC SG comments on the Guidance document

The document is thorough and thought-provoking. It provides useful guidance and many useful examples, including the previous use of phase-in for the Hawaii Bottomfish Complex. The SG noted that this document is particularly useful for quota-managed single species fisheries with individual fishing quotas (IFQs). IFQs are not currently used in the Western Pacific. These provisions may become useful and needed in our region, but the likelihood of immediate need is not yet clear.

The SG noted that Councils already have a mechanism to handle carry-over when there is a buffer between the ACL and the ABC (i.e., $ACL < ABC$). Under these circumstances, a council may choose to adjust the ACL, provided the new ACL does not exceed the ABC.

However, when a council desires to adjust ABC as a part of a carry-over or phase-in scheme , the guidance document (Sections 3.2 and 3.3) provides two choices for both carry-over and phase-in schemes:

1. Adjust ABC on a case-by-case basis.
2. Adjust ABC based upon pre-determined control rules to accommodate carry-over and/or phase-in. This would require an amendment to the Fishery Ecosystem Plan (FEP).

The SG noted that both options require significant resources from councils and science centers and would likely require improving data streams for stocks that are Tier 3 or higher. Furthermore, the SG determined that stock assessments would need to be conducted more frequently for carry-over schemes. For certain stocks, stock assessments may also need include projections of stock status relative to target reference points under different levels of carry-over. The SG determined that carry-over and phase-ins are most appropriate for Tier 1 and Tier 2 stocks with low turnover and supported by frequent stock assessments.

Additionally, the administrative cost of developing new policies and procedures should not be overlooked in implementing carry-over and phase-in provisions. A simple cost-benefit analysis should be considered to determine whether the potential realized benefits in terms of catch increases, profit margins, industry stability, etc. are substantial enough to justify the additional administrative work to establish and implement these provisions.

Applicability to WP MUS Stocks

The recent Ecosystem Component Binning Amendments to the Archipelagic FEPs substantially reduced the number of species complexes and individual species requiring ACLs. For Hawaii, this has reduced the number of fish species in the FEP to 8 (i.e., the Deep 7 bottomfish complex and Uku). For American Samoa, 11 fish species from 4 major families will still require ACL. For the Marianas Archipelago 13 fish species from 4 major families will still require ACLs.

The SG determined that because the Hawaii and Territorial bottomfish stocks are managed as stock complexes, there is some risk of individual species being overfished without adequate indication. The SG noted that only the Hawaii Deep 7 complex has adequate monitoring that would allow carry-over and phase-in provisions to be implemented.

For the Territorial bottomfish assessments (currently under review), the potential likelihood and need for establishing carry over and phase in provisions may soon become apparent. However, the SG noted that there is a general lack of adequate life history and monitoring data for most of the species in each bottomfish complex. Thus, any adjustment of bottomfish catch limits resulting from a carry-over must be carefully considered to ensure that individual stocks with low productivity and/or high susceptibility are not subject to overfishing

The SSC and Council may want to be proactive and anticipatory and establish policy on how to initiate Carry-over and/or Phase-in provisions for certain fisheries in our region. The SG highlighted the following as important aspects to consider in the design of catch and phase-in schemes in the Western Pacific:

- Carrying-over only a percentage of uncaught biomass to the next year's ACL vs. total carry-over
- "Pay-back" options for ACL overages
- Establish different carry-over and phase-in policies for Tier 1 vs Tier 2 stocks
- Conduct a management strategy evaluation of different phase-in scenarios for adjusted ACLs
- Improve life history and monitoring data streams for all WP MUS to inform carry-over and phase-in scenarios
- Expand stock assessments to include projections of stock status relative to target reference points under different levels of carry-over

- Where the SEEM* process has added to the buffer between ACL and ABC, the Council may be able to adjust ACL, but this should be applied cautiously
- Conduct cost-benefit analyses to determine whether the potential realized benefits in terms of catch increases, profit margins, industry stability, etc. are substantial enough to justify the additional administrative work to establish and implement these provisions.

SSC SG Finding

The SSC Subgroup finds that initially Carry-over and Phase in provisions be done on a case by case basis, but only for Tier 1 and Tier 2 stocks and stock complexes. Furthermore, underage carry-overs should be limited to a flexible percentage of the buffer between ACL/ACT and ABC. The SSC Subgroup also finds that future stock assessments should incorporate projections of stock status under differing scenarios of Carry-over and Phase-in to help the SSC recommend options for any such provisions. The SSC Subgroup also finds that efforts to improve life history data, to provide monitoring in a timely fashion and to better understand the potential benefits and risks of Carry-over and Phase-in provisions be a priority. Should the need for such provisions become frequent, the SSC Subgroup finds that the Council should explore incorporating these provisions within the ABC control rule through the amendment process.