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For more information on the Pacific Sablefish Permit Stacking Program:

http://www.nwr.noaa.gov/Grou ndfish-Halibut/Groundfish-<u>Fishery-</u> <u>Management/Sablefish-</u> <u>Management/Sablefish-Permit-Stacking.cfm</u>

# Pacific Sablefish Permit Stacking Program

Catch Share Spotlight No. 5

## Vital Stats

<u>First year</u>: 2002 <u>Type of Catch Share Program</u>: Permit Stacking, IFQ <u>Management Units</u>: The Pacific Coast Groundfish Fishery Management Plan's limited entry fixed gear, primary sablefish fishery off Washington, Oregon, and California. Vessels /Gear Types: Fixed Gear (Longline and/or Pot)

#### **Available Trend Data**

Season Length: Before Program: ~9 days; After Program: 7 months (April-October). Ex-vessel Value: Before Program (2000 - CA, OR, WA): ~\$8.6 million After Program (2008 - CA, OR, WA): ~\$8.6 million Consolidation: Before Program: 164 sablefish-endorsed permits, and a maximum of 328 vessels that could be registered during the fishing season to these permits. After Program: 87 vessels with 164 permits (118 of these permits are stacked onto 45 vessels; 46 permits are not stacked to a vessel). These numbers are subject to frequent change due to program design. Stock Status Before Program (2000): Overfishing: NO; Overfished: NO After Program (2008): Overfishing: NO; Overfished: NO

### Nature of Harvest Privilege

Eligibility: Prohibition on ownership of permits by partnerships or corporations (unless grandfathered); an owner-on-board requirement (unless grandfathered); and a prohibition on at-sea processing of sablefish. Limited entry permit holders with sablefish endorsements are eligible to participate in the primary sablefish fishery. Each sablefish-endorsed limited entry permit is assigned to one of three tiers, which determine the amount of sablefish that may be harvested with each permit in a particular year's primary sablefish fishery. There are three levels of tier assignments which vary annually based on the OY. For example, for 2007, the Tier 1 endorsement was 48,500 lbs, Tier II was 22,000 lbs, and Tier III was 12,500 lbs. Duration: Open ended. Council can end the program through the normal process. Transferability: A sablefish-endorsed permit and the remaining harvest level of the sablefish associated with the tier may be transferred to another eligible individual or entity and/or registered to another vessel. Permits may not be registered to another vessel more than once after January 1 in any year. Neither the sablefish endorsement nor the associated tier limit may be transferred separately from the permit.

<u>Initial allocation</u>: Based on historical harvest associated with the limited entry permit.

<u>Accumulation</u>: No vessel may stack (register) more than three sablefish-endorsed permits during the sablefish primary season. No individual or entity may own or hold (lease or otherwise obtain) more than three permits unless that individual or entity owned more than three permits as of 11/1/00.



For additional Catch Share Spotlights in this series go to:

http://www.nmfs.noaa.gov/catchshares

Questions, comments or need more information? Contact us via email at:

catchshares@noaa.gov

#### Management

<u>Identified Costs</u>: 2007 estimated costs were \$0.160M, with no cost recovery. NMFS, Northwest Region has not itemized costs for this fishery but will do so for future implementation of a cost recovery program.

<u>Cost Recovery</u>: A permit stacking fee system is still in development. <u>Monitoring</u>: This program is monitored as part of the West Coast Groundfish Observer Program administered by NMFS, Northwest Fisheries Science Center, and by the three state fish ticket and port sampling programs.

#### Summary

In the 1990s, sablefish fishermen along California, Oregon and Washington coasts were stressed by overcapitalization (too many vessels) in the groundfish fishery. By 2000, there were 164 vessels in the sablefish-endorsed fixed gear fleet, each assigned to one of three "tiers" with a ratio of the specified catch limit (1:1.75:3.85 for Tier 3:Tier 2:Tier 1, respectively). Each year, these shares were translated into amounts of poundage, or "tier limits", which could be caught by the vessels during the primary fishery. Essentially, this program was a form of an individual fishing quota (IFQ) program. However, with fishing seasons often only 9 days long, boats were engaged in a hectic race to land their catch before the season ended.

Capacity reduction was deemed necessary to cease overfishing, minimize bycatch and improve the economic outlook for the west coast fishing industry. In 2002, the Pacific Fishery Management Council implemented a "permit stacking" program for the sablefish fishery. This program allowed permit owners to register or "stack" up to 3 sablefish permits to a single vessel, making fishing more economical while the overall quotas for sablefish stayed the same. In addition to the permit-stacking program, NOAA fisheries managers also approved lengthening the fishing season from 9 days to 7 months, allowing vessels more time to safely pursue their tier limits.

Under the permit stacking program, vessel owners may register more than one sablefish endorsed permit to their vessel, allowing the number of overall vessels participating in the fishery to decline, which can lead to a more efficient fishery. "Owner-on-board" requirements and limitations to partnership/corporation ownership were also designed into the program to maintain the owner-operator character of the fleet.