Conference Board Report 86th Annual Meeting January 26th – 29th 2010 Seattle, Washington

United States	United States, Continued
Adak Commercial Development Corp.	St. Paul Fishermen's Association
Adak Fishermen's Association	Tribal Government of St. Paul
Alaska Charter Association	UFMA – Kodiak
Alaska Longline Fisherman's Association	Washington Trollers Association
Alaska Travel Association	West Brothers Group
Alaska Trollers Association	Westport Charter Association
Aleute Corp	1
APICADA Vessel Inc.	
Area 3B /4A False Pass	
Bill Alwert Association	
Central Bering Sea Fishermen's Association	
Central Southeast Longliners Association	
Coastal Villages Regional Fund	
Cordova District Fishermen United	
Deep Sea Fishermen's Union of the Pacific	Canada
Edmonds Veteran Indev Longliners	Annieville Halibut Association
Fishing Vessel Owners Assoc.	BC Halibut Longline Fisherman's Assoc.
Freezer Longliner Coalition	Canadian Sablefish Association
GOAC ³	
Halibut Coalition	Ditidaht F.N.
Juneau Charter Boat Operator Assoc.	FAS
K Bay Fishermen Association	Gulf Crab Fishermen's Association
Kodiak Longliners Association	Gulf Troller's Association
Kodiak Vessel Owners Association	Halibut Advisory Board
Lower Elwa	Huu-Ay-Aht First Nation
Lummi Nation	Northern Halibut Producer's Assoc.
Makah Fisheries Management	Northern Trollers Association
North Pacific Fisheries Association	Nuu-Chah-Nulth Tribal Council
Nooksack Indian Tribe	NVI Chef's Association
Petersburg Vessel Owners Association	Pacific Coast Fishing Vessel Owners Guild
Point No Point Treaty Council	Pacific Trollers Assoc.
Puget Sound Anglers	PHMA
Quiliute Indian Nation	
Quinault Indian Nation	Sport Fishing Advisory Board - Main
Seafood Producers Coop	Sport Fishing Advisory Board - North
SE Alaska Fishermen's Alliance	Sport Fishing Advisory Board - South
SE Alaska Guides Association	Steveston Halibut Assoc.
Sitka Halibut & Blackcod Marketing Assoc.	
Southeast Outside Longliners	Ucluelet F.N.
St. George Fisherman's Association	UFAWU

REVIEW CONFERENCE BOARD VOTING ROSTER

The United States section accredited 46 organizations for participation for the 2010 Conference Board proceedings.

The Canada section accredited 22 organizations for participation for the 2010 Conference Board proceedings.

SELECT CHAIRPERSONS FROM CANADA AND THE UNITED STATES

On the United States side, Robert Alverson was selected as Chair. On the Canadian side, Chuck Ashcroft was selected as Co-Chair.

MISCELLANEOUS

Tamee Mawani, the Groundfish Manager for Fisheries and Oceans Canada, made a presentation on Area 2B halibut management, outlining historic halibut management, current commercial halibut management measures for directed and bycatch fisheries, recreational fishery management measures and First Nations food, social and ceremonial (FSC) fishery management measures. All commercial groundfish fisheries have moved to a program of full individual accountability for all catches (directed and bycatch, retained and released) that has 100% at-sea monitoring and 100% dockside monitoring. As a result, halibut bycatch has been reduced 10 fold in the groundfish trawl fishery since management measures (e.g., individual halibut bycatch quotas) were introduced in 1997. Further, since 1996 the commercial halibut catch reported to IPHC each year includes all halibut caught (directed and bycatch, retained and released) in the hook & line and trap fisheries.

For the recreational fishery, it was noted in 2003 the Minister of Fisheries announced an allocation policy between the commercial (88%) and recreational (12%) halibut sectors. In order to stay within defined allocations, management measures (reduced daily and possession limits) have been introduced and the recreational sector has acquired quota from the commercial sector to offset their catches.

For First Nations FSC fisheries, this catch is estimated by catch calendars, phone surveys, and some dockside monitoring. New strategies for improved catch monitoring were outlined; new conditions of licence that require dockside monitoring if FSC halibut is caught while commercial fishing, new treaties include funding for improved catch monitoring and ongoing presentations with First Nations on the necessity of improved groundfish catch monitoring.

Lori Swanson gave a presentation on how amendment 80 was working in the Bering Sea relative to halibut bycatch reductions.

CONFERENCE BOARD RECOMMENDATIONS TO IPHC

A. SEASON DATE RECOMMENDATIONS FOR ALASKAN & CANADIAN WATERS

The Conference Board unanimously recommends an opening date of March 6 and a closing date of November 15. The following are comments from the Canadian and U.S. sections:

The season opening date of March 6th proposed by the U.S. side overlaps the annual spawning migration period of halibut. The Canadian contingent believes it may not be in Canada's long term interest to support opening dates that overlap with the annual halibut migration period, as IPHC staff have stated that fishery during the spawning migration period could result in a loss of exploitable biomass to Canada.

However, Canada is willing to accept the proposed opening date of March 6 for 2010 in order to allow more time for discussion of the Conference Board bycatch and catch limit issues.

Southeast Alaska representatives expressed that an earlier date helps avoid sperm whale interactions in the Central Gulf of Alaska in Southeast waters. Additionally, there was concern about high tides in the middle of March.

B. SEASON DATE RECOMMENDATION 2A

The Conference Board unanimously recommends the staff recommendations for the commercial openings in Area 2A.

C. The Conference Board unanimously recommends adoption of the recommendations from the Pacific Fishery Management Council relative to the catch sharing plan for recreational fisheries.

CATCH LIMIT RECOMMENDATIONS

The Conference Board supported the following catch limits for 2010:

2A	0.86 million pounds
2B	8.00 million pounds
2C	4.52 million pounds
3A	19.99 million pounds
3B	9.90 million pounds
4A	2.33 million pounds
4B	2.16 million pounds
4CDE	3.58 million pounds
Total	51.34 million pounds

The Conference Board's total recommendation is 2.31 million pounds over the staff recommendations. This overage is the result of requested harvest limits in Area 2 that are in

excess of staff recommendations. The following is the rational for these harvest limits by the Conference Board.

COMMENTS ON CATCH LIMIT RECOMMENDATIONS

Area 2A

The U.S. section recommended a harvest limit of 860,000 pounds, with two in opposition, and the Canadian section abstaining. This harvest limit represents a 9.9% reduction from 2009. There remain concerns from the user groups in Area 2A that the current survey does not include important areas of historical concentrations of halibut in the northern part of Area 2A and therefore underestimates the abundance of fish in Area 2A.

Area 2B

Until an agreed upon method to allocate the halibut resource can be developed, the Canadian interim position is 2B's share of the 2010 coastwide TAC should be based on its recent removal history. In 2008 and 2009 the 2B fishery catch limits were 9 million and 7.63 million pounds, respectively. Those catch limits have been associated with improved and stable IPHC survey WPUE and IPHC has classified 2B as slowly recovering.

It appears that removals between 7.63 and 9 million pounds are not doing harm to the 2B population. A 2010 catch limit of 8 million pounds appears to be reasonable and sustainable.

8 million pounds is about 1.4 million pounds over the staff recommendations. The 1.4 million pounds is approximately the amount of lost yield to 2B due to U32 bycatch in other regulatory areas, except 2A.

The Area 2B commercial halibut fleet is restricted in catching rockfish and therefore no longer sets gear on rock pile areas. This results in the fleet not harvesting many large female spawners that contribute to egg production.

The above position was unanimously recommended by the Canadian section of the Conference Board. The United States section of the Conference Board voted 21 opposed, 1 in favor, and 13 abstentions. The U.S. section expressed concern of lost egg production and the lower age of fish being harvested in Area 2B.

Area 2C

The Conference Board recommended a harvest limit of 4.52 million pounds, which is a 10% reduction from 2009. This was supported by the U.S. section 17 to 9, with 11 abstentions, and with the Canadian section abstaining. The Conference Board supporting arguments for this harvest level include recent WPUEs that have stabilized and at the average age of fish harvested is between 12 and 13 years old. This age structure of harvest represents a large percent of the resource that is contributing to egg production. The U.S. delegation points out that this area has already taken a 54% reduction over the three preceding seasons. Those

opposed to this action point out that this represents a 2 million pound harvest in excess of the 2010 recommended commercial CEY and would push the harvest rate to 30%.

Preceding the discussion on harvest limits in both the U.S. and Canadian areas, the Conference Board had a discussion on apportionment methodologies. The Conference Board voted on the following motion: The Conference Board does not, at this time, support the current apportionment as the appropriate long-term procedure for determining harvest limits in the IPHC regulatory areas. The U.S. section was split on this action with 17 in favor and 21 opposed and 2 abstaining. The Canadian delegation was unanimously supportive of this motion. The rationale for not supporting the current survey-based apportionment method is as follows:

- i The CIE reviewers cautioned that the survey should not be used as the apportionment tool until it was groundtruthed for this purpose as it was developed for stock assessment, not apportionment.
- i A concern of the CIE reviewers is that using the survey as an apportionment tool demands the assumption of equal catchability in all areas, a very unlikely scenario.
- i The stock has not been responding as the staff anticipated as evidenced by the decreasing stock indices in Area 3B.
- i Survey spacing on a 10 mile grid may not accurately reflect area specific densities as there is likely to be habitat-specific effects on fish distribution.
- i The projection widget provided by Juan Valero produces some counter-intuitive apportionments given what we see in age structure, CPUE, and fish movements.

In addition to the five items above, the Canadian delegation has the following comments:

Catch limit allocations must provide for fair and sustainable access to the Pacific Halibut resource while ensuring scientifically sound stock assessments and advice, as well as promoting accountability for total removals.

Canada accepts the present coastwide stock assessment methodology

PIT tagging studies in 2003 and 2004 have provided strong evidence that the temporal and spatial migration of halibut is much more dynamic than previously thought. These results called into question the assumptions supporting closed area stock assessments (i.e. negligible adult migration between regulatory areas). As a result, a coastwide stock assessment approach was developed and peer reviewed, being deemed the most reasonable method currently available for assessing the total halibut biomass.

Canada does not accept the IPHC's apportionment model

The IPHC's current area biomass determination methodology, or "apportionment", estimates the percentage of the coastwide exploitable biomass in each IPHC regulatory area, which is determined from the survey catch rate (WPUE) and scaled to the amount of habitat available (total bottom area between depths of 0 and 400 fathoms). Catch limits within each regulatory area are in turn determined by applying a harvest rate to the above calculation. While this approach uses data readily available to the IPHC staff, the methodology depends on assumptions

which Canada considers untenable. In particular, the method assumes that survey catchability is identical across all management areas. Further Canada is concerned that the apportionment model may be underestimating exploitable biomass in area 2B and overestimating exploitable biomass in western regulatory areas. Potential evidence for differences in catchability and/or a mismatch between apportionment among areas and relative biomass includes:

1. Species composition of the survey bycatch differs substantially among areas. For example, different species might take the bait at different times during the set so that the number of "effective hooks" is not consistent throughout the set.

2. Survey apportionment results in very high realized harvest rate estimates for Area 2B (over 50% during most of the last eight years). These are the highest for any area, and yet, Area 2B is now described as "slowly recovering" while neighbouring areas are described as "concerned". An alternative explanation could be that survey apportionment underestimated Area 2B exploitable biomass and that actual harvest rates have been substantially lower than those reported.

3. Survey apportionment assigned a higher proportion of the coastwide biomass to Area 3B than the closed-area assessment, and Area 3B realized harvest rates have been on the order of 20% or less over the past several years. Area 3B is now described as "very concerned" and IPHC staff have recommended a reduced harvest rate of 15%. An alternative explanation could be that survey apportionment overestimated Area 3B exploitable biomass and that actual harvest rates have been substantially higher than those reported.

Catch Limit Allocation Principles

In response to concerns with the IPHC's current area biomass determination methodology and in order to move towards fair and equitable allocations of this migratory halibut resource, Canada proposes that the following principles be considered when determining catch limit allocations now and into the future:

- 1. The total coastwide removals limit must be conservation-based. Specifically, the total coastwide removals limit must be consistent with the estimated total exploitable biomass.
- 2. Parties to the treaty must be directly accountable for all removals within each regulatory area. Both O32 and U32 must be deducted directly from the respective regulatory area.
- 3. All removals from directed¹ and non-directed² fisheries must be monitored at a defined minimum standard of accuracy.

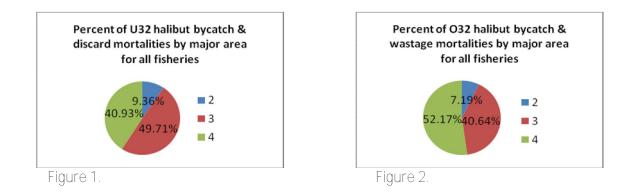
The allocation of the Pacific Halibut resource must consider fair access between the national parties to the treaty, and allocation should occur under defined national shares. Given a national shares policy will take time to develop and implement, in the interim historical catch shares, to the extent possible, should be considered in determining catch limit allocations. In addition, if

¹ Directed fisheries are those fisheries specifically engaged in harvesting Pacific Halibut

² Non-directed fisheries are those fisheries not specifically engaged in harvesting Pacific Halibut, but where Halibut is incidentally caught

the actions of one regulatory area are shown to result in negative impacts (e.g. future reduced harvest rate) to another regulatory area, mitigation by way of catch limit adjustments must occur.

Access must follow sound stock assessment, promote accountability for total removals and address the impacts of an area's management regime upon other areas. Under these principles Canada has made significant advancements in catch monitoring and accountability for total removals, but continues to be impacted by management decisions in other regulatory areas. For example, the level of bycatch and discard mortality occurring in areas 3 and 4 (Figures 1 and 2) is having a significant negative impact on area 2's exploitable biomass.



Trawl Bycatch Discussions

The Conference Board unanimously urges the Commission to request the North Pacific Fishery management Council to take action in order to reduce halibut bycatch in the Gulf of Alaska trawl fishery as identified by the Observer Union. These problem areas included manipulation of observer days in the Kodiak area and the lack of observer coverage on trawl and other vessel types throughout the Gulf of Alaska. Issues of accountability and proper observation of all the fleets must be an attainable goal.

The Conference Board recommends that Commissioners direct IPHC staff to retain experts (e.g., stock assessment scientists, statisticians) to undertake an independent peer review to define a minimum standard for catch monitoring in all fisheries (commercial, recreational, subsistence/personal use) where halibut mortalities occur (directed or bycatch) and review the catch accounting and catch monitoring programs and procedures in place in these fisheries to determine if they meet the defined minimum standard. The terms of reference for the review would be developed with input from IPHC staff and management agencies and stakeholders from both countries and address factors such as, but not limited to, bycatch rates by fishery and bycatch "hot spots."

The U.S. delegation of the Conference Board would like to encourage and invite the Canadian industry and Canadian government officials to testify before the North Pacific Council on the concerns of the excessive bycatch of halibut in the Gulf of Alaska and U.S. monitoring systems.

IPHC STAFF REGULATORY PROPOSALS: 2010

The Conference Board approved unanimously the following staff regulatory proposals:

i) Area 2A license requirement

IPHC staff recommends changing the regulations to reflect that the Area 2A IPHC license requirements are not for persons fishing in Subarea 2A-1 as members of U.S. treaty Indian tribes. The tribal fisheries have their own licensing requirements and tribal members currently do not obtain IPHC vessel licenses. IPHC does not require tribal vessels to be licensed and this change would reflect the status quo.

ii) License numbers and State fish tickets

In the current IPHC regulations, where it is required that the total halibut weight must be recorded on the State fish tickets it is also required that a vessel number be recorded on State fish tickets. The IPHC regulations should be changed to reflect that the vessel number is the state, federal, or tribal vessel number (i.e., not IPHC vessel number). We also recommend adding to the IPHC regulations that Washington tribal tickets can be used as they are currently used by some treaty tribes in Area 2A-1. The same IPHC regulations that apply to State tickets would apply to tribal tickets. This regulation should be removed as Area 2A is the only area that IPHC licenses are required and the IPHC number is not currently recorded or needed on State fish tickets.

iii) Cape Spencer Light

The Cape Spencer Light coordinates are used to define Area 2C. The IPHC staff recommends updating the coordinates to the 2009 U.S. Coast Guard Light List (changed from the 2003 U.S. Coast Guard Light List of: 58°11'54"N, 136°38'24"W) to 58°11'56"N, 136°38'26"W.

INDUSTRY REGULATORY PROPOSALS 2010

Proposal 1 – Trident Seafood Corporation

The U.S. section of the Conference Board recommends that the Commission attempt to accommodate Trident's issue of concern by adopting regulations that are similar to the Canadian filleting regulations. The members recommend that stakeholders that would be affected by this regulation change and U.S. enforcement personnel work together for a long-term solution. The U.S. section of the Conference Board supported this 11 to 9 with 18 abstentions and the Canadian delegation abstained.

Proposal 2 – Harvest Ticket for Alaska Halibut and Blackcod

The Conference Board supports this proposal relative to halibut only. A letter to the State of Alaska supporting this proposal is requested from the Conference Board.

Proposal 3 – Survey Proposal Adjustment

The Conference Board recommends that this suggested change in the surveys be forwarded to the IPHC Research Advisory Board.

Proposal 4 – Fifteen Year Plan

The Conference Board took this up under apportionment and harvest limit recommendation.

Proposal 5 – Analysis of Alternative Apportionment Approaches

The Conference Board took this up under apportionment and harvest limit recommendation.

Proposal 6 – Charter Boat Restriction Area 2C

The Conference Board recommends that the IPHC Commissioners take the necessary action to restrict 2C charter operators to the 2010 harvest levels and GHL. The U.S. section of the Conference Board voted 27 to 3 in favor of this action, with 5 abstentions. The Canadian section voted 11 in favor and 8 abstaining for this action. The Conference Board references the letter from the North Pacific Fishery Management Council to Dr. James Balsiger which requests that NMFS evaluate the management options available that would hold the charter harvest in 2C to the GHL in 2010 and choose the most effective and expeditious option. Letter attached.

Catch Limit Proposals 1 - 13 are taken up under apportionment and harvest limit discussions.

North Pacific Fishery Management Council

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December 23, 2009

Dr. James Balsiger NOAA Fisheries 1315 East-West Highway Silver Spring, MD 20910

Dear Jim:

The North Pacific Fishery Management Council has worked to develop an effective and equitable management plan for the guided sport (charter) halibut sectors in International Pacific Halibut Commission (IPHC) Areas 2C and 3A since 1993. The Council expected a charter halibut moratorium (approved by the Council in 2007) to be in place by 2010, and projected that this action would contribute to reducing charter harvest to the GHL beginning that year. National Marine Fisheries Service (NMFS) staff informed the Council in December 2009 that, although the charter moratorium will be implemented in 2010 (pending Secretarial approval), moratorium permits may not be required to prosecute the halibut charter fishery until 2011. If this is the case, the effect of the moratorium on reducing catch in 2010 will be minimal and alternative management measures may be needed in 2010 to restrict Area 2C charter harvest to the halibut GHL. This is particularly important in light of the new halibut stock assessment, which shows a continued decline in halibut stock indices and a projected 26 percent reduction in the Area 2C commercial setline quota for 2010.

In 2001, after years of public involvement that included the engagement and input of charter halibut stakeholder committees, the Council recommended a Guideline Harvest Level (GHL) for the charter sector that balanced the needs of those who have historically depended on the halibut resource (subsistence harvesters, commercial setline fishermen and processors, and fishery dependent communities) with the needs of the rapidly expanding harvest of the halibut charter industry. The Secretary approved and NMFS implemented the GHL in 2003. The halibut charter GHLs were based on an average of the five largest years of halibut charter harvest (at that time) by area plus 25 percent to allow for growth in the sector.

The GHLs are intended to be benchmarks for charter halibut harvest. NMFS may take action at any time to limit the charter halibut harvest to as close to the GHL as practicable. The charter GHL in Area 2C has been exceeded every year since its 2003 implementation, with overages in this one area now totaling 3.2 million pounds. The Council has repeatedly committed to managing the charter sector to the GHL and has approved a series of harvest control measures with this intent. In 2009 Federal Court found that the GHL and the 2009 regulations that implemented a one-fish bag limit to control charter halibut harvests to the GHL promoted conservation of the halibut resource and were fair and equitable.

Despite implementation of charter halibut conservation measures, harvest projections indicate the charter fleet exceeded its GHL in Area 2C by 60 percent (500,000 pounds) during the 2009 season. The impacts of this overage are heightened by the on-going and significant decline in the Area 2C halibut stocks and

the substantial reductions in the setline catch limit (64% over 4 years). The Council has a history of managing fishery and sector removals to specified allocations, and remains committed to preventing GHL overages.

We urge you to carefully evaluate the management options available to you that would hold charter harvest in Area 2C to the GHL in 2010, and to choose the most effective and expeditious option. Full implementation of the charter halibut moratorium in 2011 is also essential to constraining harvest to the GHL. Finally, and importantly, we urge that you ensure the Halibut Catch Sharing Plan, passed by the Council in October 2008, moves forward for implementation in 2011 as anticipated.

Thank you for your time and attention to this issue.

Sincerely,

Sai G.ac

Eric A. Olson Chair

cc: Doug Mecum Jay Ginter