**Rockfish (GOA) Economic Performance Report for 2020**

Rockfish total catch in the Gulf of Alaska decreased 6% to 34 thousand t in 2020 relative to 2019 and retained catch decreased to 30.3 thousand t (Table 1). Catch remains near the recent highs over the last decade. Rockfish are an important component of the catch portfolio of GOA fisheries. Ex-vessel value in the GOA rockfish fisheries in 2020 was $9.5 million down 35% from 2019. The change in ex-vessel value was combined effect of marginal decreases in catch and 37% decrease in prices to $0.15 per pound (Table 1). First-wholesale value was down 13% in 2020 to $29.2 million with a significant decrease in the first-wholesale price (Table 2).

COVID-19 had an unprecedented impact on fisheries in Alaska. Undoubtedly, one of the significant economic impacts experienced by the industry were the mitigation costs experienced by the fishing and processing industries to continue to supply national and global markets for seafood. Existing data collections do not adequately capture these costs, and as such, this report focuses on catch, revenues, and effort and changes occurring during the most recent year. GOA rockfish catch levels relative to TAC were within a typical range suggesting that COVID-19 did not have a significant impact on catch levels. In contrast to changes in landings, however, there was a notable decrease in prices for many of the products with significant exports to China for reprocessing and Japan, which ultimately go to food service sectors. This includes GOA rockfish, which has significant end markets in Asia and North America in both foodservice and retail. The downward pressure on these prices is likely the result of COVID-19 related logistical difficulties in international shipping and inspections, as well as foodservice closures, and compounded the downward pressure on prices from tariffs. This downward pressure on fish product prices in the first-wholesale market coupled with cost pressure from COVID-19 mitigation efforts likely had upstream impacts on ex-vessel prices that decreased significantly.

The most significant species in terms of market volume and value is Pacific ocean perch which has accounted for upwards of 70% of the retained catch since 2017 (Table 1). Harvest levels of Pacific ocean perch are near the total allowable catch (TAC) and has been strong in recent years reflecting the underlying health of the stock. The GOA rockfish fisheries catch a diverse set of rockfish species and the other major species caught are northern and dusky (Table 1). Typically, 75%-90% of the northern rockfish TAC is harvested, and since 2017 this has dropped to roughly 60%. In 2019 retained catch of northern rockfish decreased to 2.4, and retained catch of Dusky rockfish decreased to 2.1 thousand t . Other rockfish caught in the GOA include rougheye, shortraker, and thornyhead. In recent years, approximately 85% of the retained rockfish catch has occurred in the Central Gulf. The Western Gulf’s share of retained catch was 12%. In the Central Gulf, where the majority of rockfish are caught, rockfish comprised 18% of the retained catch and 14% of the ex-vessel value, which is up relative to the years prior to 2017 in part because of reduced catch and value in other fisheries, in particular Pacific cod. Catch in the GOA is distributed approximately evenly between catcher vessels and catcher processors, although there are a far greater number of catch vessels. The number of catcher vessels harvesting rockfish has increase from an average of 178 in 2011-2015 to 182 in 2019, then dropped off to 157 in 2020. Rockfish are primarily targeted using trawl gear.

The Central Gulf of Alaska rockfish fisheries are managed under a catch share program designed to reduce bycatch and discards and to improve quality and value. The Rockfish Program began in 2012 and followed a pilot program from 2007-2011. Quota is allocated to catcher vessel and catcher processor cooperatives. Catch shares have had the effect of spreading the production out over the year which enabled delivered product to be processed more strategically thereby increasing the quality of the product.

The 13% decrease in 2020 first-wholesale value to $29 million was largely the result of a decrease in the first wholesale price (Table 2). The average price of rockfish products decreased 17% to $0.75 per pound. Prices for Pacific ocean perch, Northern, and Dusky decreased 16%, 24%, and 7%, respectively. Approximately 70% of the rockfish produced are processed as headed and gutted (H&G) which is lower than in most recent years as whole fish production increased whole fish.

The majority of rockfish produced in the U.S. are exported, primarily to Asian markets. Pacific ocean perch is the only rockfish species with specific information in the U.S. trade data. Other species are aggregated into a non-specific category. While export volumes were relatively stable, increasing 5%, there was a minor shift in product flow in 2020 relative to 2019. Approximately 53% of the Pacific ocean perch export value from the U.S. went to China in 2020 which was a decrease relative 2019, but not inconsistent with recent trade levels (e.g., 2015, 2017) (Table 3). Japan is the second largest export destination for Pacific ocean perch. Exported H&G rockfish to China is re-processed (e.g., as fillets) and re-exported to domestic and international markets. Rockfish are also sold to Chinese consumers, as whole fish. The U.S. has accounted for just over 15% of global Pacific ocean perch production in recent years and 85-95% of global production. Global production of rockfish has increased 16% from the 2011-2015 average to 329 thousand t in 2019 and global production of Pacific ocean perch has increased 37%. Global production of Atlantic redfish, a market competitor to Pacific ocean perch, has been stable at 52 thousand t since 2017. The U.S. dollar weakend somewhat against the Chinese Yuan in 2020 but was within its historical range, which mitigates its potential impact on market price. Because of China’s significance as a re-processor of rockfish products, the tariffs between the U.S. and China, which begun in 2018, have put downward pressure on rockfish prices which has inhibited value growth in rockfish markets. Pacific ocean Perch was among the species to receive relief under the USDA Seafood Tariff Relief Program in 2019-2020. Industry lacks immediate alternative reprocessing options to China on a large scale. Export quantities of Pacific ocean perch increased in 2020 from 2019 and the share of exports to China decreased (Table 3). The COVID-19 pandemic created supply chain logistical difficulties, particularly in China, which put downward pressure on prices. The share of exports to Japan increased which mitigated the impact on value. In addition, foodservice closures in major markets for rockfish finished goods, also likely impacted prices negatively.

Table 1. GOA rockfish ex-vessel market data. Total and retained catch (thousand metric tons), number of vessels, catcher vessel share of retained catch, value (million US$), price (US$ per pound), Central Gulf’s share of GOA rockfish retained catch, and Pacific ocean perch, northern rockfish, and dusk rockfish share of GOA rockfish retained catch; 2011-2015 average and 2016-2020.



Source: NMFS Alaska Region Blend and Catch-accounting System estimates; and ADF&G Commercial Operators Annual Reports (COAR). Data compiled and provided by the Alaska Fisheries Information Network (AKFIN).

Table 2. GOA rockfish first-wholesale market data. Production (thousand metric tons), value (million US$), price (US$ per pound), Pacific ocean perch, northern rockfish and dusky rockfish share of GOA rockfish value and price (US$ per pound), and head-and-gut share of value; 2011-2015 average and 2016-2020.



Source: NMFS Alaska Region At-sea Production Reports; and ADF&G Commercial Operators Annual Reports (COAR). Data compiled and provided by the Alaska Fisheries Information Network (AKFIN).

Table 3. Rockfish U.S. trade and global market data. Global production of rockfish and Pacific Ocean perch (thousand metric tons), U.S. Pacific ocean perch shares of global production, export volume (thousand metric tons), value (million US$) and price (US$ per pound), China’s share of Pacific Ocean perch export value and the Chinese Yaun/U.S. Dollar exchange rate; 2011-2015 average and 2016-2020.



Source: FAO Fisheries & Aquaculture Dept. Statistics <http://www.fao.org/fishery/statistics/en>. U.S. Department of Agriculture <http://www.ers.usda.gov/data-products/agricultural-exchange-rate-data-set.aspx>.