



CITY OF SAINT PAUL

ALASKA

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NEWS RELEASE

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Pursuant to an agreement reached by the cities of Saint Paul Island and Unalaska on January 8, 2025, Bering Sea snow crab fishermen and processors will be able to deliver and process approximately 1.5 million pounds of snow crab crab with a northern region designation to processors in Unalaska.

Phillip Zavadil, City Manager for the City of Saint Paul, Alaska pointed out that “the low north region snow crab TAC (total allowable catch) of 1,576,624 pounds and capacity issues associated with processing low amounts of crab at the Trident Seafoods plant on Saint Paul Island, which requires certain volumes way above the current TAC to break even, had made processing and custom processing of snow crab in the northern region non-viable.”

Zavadil added that “after careful consultation with crab industry partners and consideration by our City Council, Saint Paul Island agreed to enter into discussions with Unalaska to allow regional delivery requirements to be waived and for crab deliveries and processing to be concentrated at the two available processing facilities in Unalaska in the southern region.” This was a difficult decision for Saint Paul Island, whose tax revenues and economy relies almost entirely on the delivery and processing of snow crab, and has applied for federal fisheries disaster assistance to attenuate the impacts of three years worth of fishery closures.

The action by the two communities will provide relief to snow crab industry participants that are struggling to operate as a result of the closures and low TACs, as well as the challenging market conditions that are affecting the fishing industry more broadly. Under the terms of the Memorandum of Agreement (MOA), Unalaska will collect the 3.5% seafood tax on North Region snow crab that Saint Paul Island would have collected if the crab were landed and processed in Saint Paul Island, and remit those amounts to Saint Paul Island.

“Under the circumstances, it’s a win win for both communities” stated Zavadil. “Unalaska does not lose any tax revenue and will gain secondary economic benefits from the North Region crab including sales tax revenues and increased economic activity resulting from the delivering and processing of an additional 1.5 million pounds of snow crab.” For its part, Saint Paul Island will receive seafood taxes that it would otherwise not have received given the non-viability of the snow crab fishery in the North Region this season. In the longer-term, however, Saint Paul Island envisions a reactivation of the fishery and related economic activity on the island, and is working with other industry stakeholders and the North Pacific Fisheries Management Council (NPFMC) to develop a more flexible management structure that reflects the current realities of the crab resource in an era of climate change and unstable TACs.

The agreement between the communities paved the way under provisions of the Crab Rationalization Program for the National Marine Fisheries Service (NMFS) to exempt the North Region snow crab from regional landing requirements on December 31, 2024.

Ray Melovidov, a Saint Paul City Councilman, and President of the Central Bering Sea Fishermen’s Association (CBSFA), the local CDQ group which owns various crab harvester and processor assets commended the work of both communities stating that “as a member of the crab industry we appreciate greatly the work done by both communities in short order to allow this exemption to happen.” Melovidov pointed out that “this exemption from regional landing requirements has never been attempted before and will allow the industry to have a crab fishery this season even under challenging circumstances.”

The Crab Rationalization Program has been described as a “Three Legged Stool” Program which has successfully balanced the interests of harvesters, processors, and crab communities, since its implementation in 2005. “The latest effort to secure the exemption is an example of the crab stakeholders working together creatively under the provisions of the Crab Program to respond to challenges affecting the industry” remarked Zavadil.