

# **Update:** Development of Amendment 18 to the Multispecies FMP

by Rachel Feeney  
Council staff

Groundfish Oversight Committee meeting  
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*(as revised March 31, 2014)*



## Outline

1. Timeline check-in
2. PDT update
  1. Spatial and temporal trends in fishing effort
  2. HA fishery
  3. U.S./CA quota trading
  4. Accumulation limits
  5. Permit banks
3. Other topics from scoping



## Current A18 timeline

<b>2014</b>	Mar. 28	OSC mtg.	Develop measures.
	Mar. 31	PDT mtg.	FW52 (primary) & A18 (update)
		Staff prep.	Mar. 28 motions and spatial/temporal PDT memo to OSC & GAP; Frank's memo/agenda to OSC;
	Apr. 1	GAP mtg.	Provide input on measures
	Apr. 2	Staff prep.	GAP motions to OSC; revised alternatives to OSC
	Apr. 4	OSC mtg.	Develop measures with GAP input
	Apr. 11	Staff prep.	Discussion document ready for NEFMC mtg.
	Apr. 22-24	NEFMC mtg.	Approve A18 range of alternatives to be analyzed in DEIS.
	June TBD ??	CIE peer review of Compass Lexecon report	
	Jun. 17-19	NEFMC mtg.	Approves A18 DEIS with range of alternatives & selects preferred alternative.
	July TBD ??	CIE peer review report completed.	
	Nov. 18-20	NEFMC mtg.	Final action.
<b>2015</b>	May 1	Implementation.	



## Spatial and temporal trends in fishing effort

In January, OSC tasked the PDT with analyzing effort by vessel classes in Area 514 and adjacent areas, FY2004-FY2012, in response to public concern that, in the absence of trip limits, larger vessels are fishing inshore.

PDT memo should be ready by March 31. This issue will be on the April 4 OSC agenda.



## Handgear A fishery

Following the January Council motion, PDT has developed an alternative with options that would create a HA fishery sub-ACL.

### ***Option A: Handgear A sub-ACL***

- “ Under the current quota allocation system, PSC assigned to one sub-ACL may not be used by another sub-ACL. Permits enrolled in the HA fishery could not join a sector.
- “ PDT recommends making the qualification years consistent with current PSC calculation methods.
- “ Is this a voluntary or mandatory program?
- “ What would this hypothetical sub-ACL look like? See Tables 5-8 PDT memo.



## Handgear A fishery

### **Option B: Other fishery component**

- “ PDT OK with accounting for catch of other stocks within “other fishery components” sub-ACL.
- “ What would be the size of potential catch of other stocks? See Tables 5-8 in PDT memo.
- “ How should discards rates be calculated?

**Sub-Option A.** No action. Assign HA fishing trips the same discard rate as trips fishing in the common pool. Currently, this doesn't include data from HA vessels.

**Sub-Option C.** Calculate an assumed discard rate and subtract from the HA and “other fishery components” sub-ACLs. Take discards of the top and monitor the landings. What is the appropriate rate?

**Sub-Option D.** Consider discards *de minimus* and do not account for them under any sub-ACL; consider within the management buffer.



## Handgear A fishery

### *Option C: Proactive AMs*

- “ It would not be feasible for GARFO to monitor catch in-season accurately enough to be able to change catch trajectories by adjusting trip limits.
- “ What would be an appropriate trip limit for ~100 HA permits and a sub-ACL of ~500 of GOM haddock? GOM haddock might be discard only.
- “ Other than trip limits, consider:
  - Sub-Option A.** Close the fishery for a stock when 100% of its sub-ACL is reached.
  - Sub-Option B.** Close the fishery for a stock when 90% of its sub-ACL is reached.
  - Sub-Option C.** Close the fishery for the stock area when 100% of any sub-ACL is reached.



## Handgear A fishery

### ***Option D: Reactive AMs***

- “ Any deduction would need to occur in the year following notification of the overage.
- “ Does the AM apply just to stocks in the HA sub-ACL?
- “ What’s the trigger? Just the HA sub-ACL being exceeded or the total?

### ***Option E: Carryover***

- “ Carryover must be consistent with the resource trading agreement with Canada.
- “ The accountability for carryover would be treated the same as for sectors unless specified otherwise.

### ***Option F: Removal of March 1-20 closure***

- “ A7 instituted a 20-day spawning block. With VMS requirements in 2007, handgear vessels were given March 1-20.
- “ The same exemption given to sectors could apply.





## Handgear A fishery

### ***Option G: Annual sub-ACL***

“ The trimester AM may not be necessary to prevent overages.

### ***Option H: Removing the standard tote requirement***

“ No additional comment.

### ***Option I: Grandfathering***

“ PSC that contributes to a sub-ACL may not have ACE allocated to another sub-ACL.

“ NMFS can't control how ACE is used once it has been allocated to a sector.

“ PDT recommends moving this to “Considered but Rejected.”

### ***Other PDT Comments***

“ Concern about NMFS' ability to manage small ACLs.

“ The sector program could be modified by changing the VMS and at-sea monitoring requirements. Sectors have offered free or low-cost memberships to HA fishermen.

“ Creating sub-ACLs by gear type could set a precedent. Is the current proposal an exception?



## U.S./CA quota trading

PDT reviewed past discussions and revised the alternatives. OSC should discuss each to ensure its intent is captured.

***Alt. 1A: Current no action***

***Alt. 1B: Potential no action (just for FY2014, groundfish sub-ACL)***

***Alt. 2. Option A: trading of sector sub-ACL***

***Alt. 2. Option B: trading of specific sector(s) ACE***

### ***Other PDT Comments***

- “ Would the OSC like to include the common pool in trades?
- “ Country-country trades can't be as frequent as sector-sector trades. Specify certain times per year or a minimum weight.
- “ What should the Council consultation look like?
- “ Any further guidance on the terms of the trade?



## Accumulation limits

- “Holdings” is more appropriate than “ownership.”
- The ability to query data on holdings at the individual human person level continues to improve. The data presented are accurate to within 1-2%. The PDT will continue to work with GARFO to improve the queries.
- The PDT reiterates its recommendation that accumulation limits should be at the individual person (or permit bank) level, rather than just the business entity level.
- In response to the Council motion to develop alternatives that would apply limits to the PSC held of specific stocks, the PDT calculated the stock-specific holdings as of FY2010, the control date, and FY2013 (see PDT memo dated March 25, 2014).



## Accumulation limits

- “ The PDT developed four alternatives for Committee consideration.
  1. No Action.
  2. Limit holdings based on the control date.
  3. Limit holdings based on the Compass Lexecon recommendations.
  4. Limit holdings based on the recent Committee and Council discussion on limiting the inshore stocks at a lower level than offshore stocks.
- “ The OSC should clarify its intent relative to:
  - . Divestiture. The top individuals have more holdings today than on the control date. Should the alternatives “Grandfather to the control date”?
  - . Permit Banks. Should they be subject to a different (higher?) cap? Currently, a permit bank holds the most PSC for just five stocks.
  - . The stocks to limit. Which?



# Accumulation limits

**Table 4, March 25 PDT memo....two additional columns**  
 (data are draft, subject to additional scrutiny)

FY2013 PSC holdings	All "person ids"		
	Max	w/ PSC > 0	w/ PSC > 1
GB cod	11.955%	1,082	60
GOM cod	9.512%	1,018	45
GB haddock	14.788%	827	51
GOM haddock	8.137%	787	52
GB yellowtail	16.818%	762	94
SNE/MA yellowtail	6.197%	865	56
CC/GOM yellowtail	8.804%	883	47
Plaice	8.871%	878	53
Witch flounder	8.736%	993	49
GB winter flounder	26.031%	842	71
GOM winter flounder	9.138%	901	44
Redfish	9.673%	754	62
White hake	7.200%	968	58
Pollock	5.881%	1,080	68
SNE winter flounder	tbd	tbd	tbd



Note: "person id" includes individual human persons and permit banks.

## Permit banks

- “ Should a nonprofit permit bank have free choice to whom and how much of its ACE to make available? Is only leasing 10% of its ACE OK?
- “ The “three distinct business entities” could be owned by one person or Board members. OK?
- “ Is being formally recognized as a nonprofit permit bank voluntary and only if it wants to be subject to a different (higher?) cap? Is it OK to have many small permit banks holding a great deal of quota?
- “ Should a nonprofit entity be able to create more than one permit bank?
- “ What is the goal with requiring non-profit status?
- “ NMFS can’t enforce how many entities a permit bank leases to, so long as it is in a sector.
- “ What is the goal of requiring sector enrollment?
- “ What nonconfidential data should be in a public annual report?



## Other Topics from Scoping

The DEIS must include how the Council has considered the scoping comments. Below are other topics that emerged from scoping:

- “ **Creating a quota set-aside** for use particularly by permit banks, new entrants, etc.
- “ **Creating incentives to actively fish**, preventing a situation where most of the PSC holders don't actively fish (lease-only holders).
- “ **Creating baseline criteria for leasing**: restricting leasing by vessel size, fishing area or species.

Does the OSC want to develop alternatives in A18 or not? Rationale?

