

New England Fishery Management Council
Groundfish Advisory Panel
Meeting Summary
September 16, 2008

The Groundfish Advisory Panel (GAP) met in Danvers, MA to develop recommendations for management measures for Amendment 16. The panel also discussed a pending groundfish interim action, permit transfer issues, and a possible rationalization of the groundfish fleet. Members present were Paul Parker (Chair), David Marciano (Vice-chair), Carl Bouchard, Richard Canastra, William Gerencer, Jan Margeson, Jackie Odell, Maggie Raymond, and John Williamson. Groundfish Committee Chair Rip Cunningham participated in the discussions. Staff support was provided by Tom Nies and Anne Hawkins.

Groundfish Assessment Review Meeting (GARM III) Overview

Council staff provided a brief overview of the GARM III results. Staff also reviewed preliminary Plan Development Team (PDT) work on estimating the rebuilding trajectories and the mortality reductions needed to achieve those trajectories. It was emphasized that this work was at an early stage of development and the exact numbers could change if the Council selects different rebuilding periods. In general, for many stocks the needed mortality reductions may not be as large as assumed during planning earlier this year, but there are a few (northern windowpane flounder, pollock, SNE/MA yellowtail and winter flounder) where large reductions in mortality will be needed. Staff noted that PDT work on developing effort controls had halted temporarily because key PDT personnel were working on the interim action that was being developed by NMFS for the 2009 fishing year. The PDT would be unable to resume this work until that was completed. As a result, staff did not have any specific alternatives for the GAP to consider during the day's discussions.

The GAP discussed the relationship between the fishing mortality rates with the associated catch prescribed. A member of the GAP expressed the need to know the relationship between the fishing mortality rate reductions and catch.

Interim Action for FY 2009

Given this delay in developing measures, many GAP members recognized that there was no possibility that Amendment 16 measures would be implemented in FY 2009 – not even late in the year. Several argued that this made it even more critical that NMFS adopt the mitigating measures for FY 2009 that were suggested by the Council. In addition, a member suggested that the GAP should recommend removal of the cap on DAS leasing as an additional mitigating measure. These reasons were identified for removing the leasing cap:

- The cap on DAS leasing was a last-minute Council vote during Amendment 13 approval because of concerns about excessive consolidation.
- DAS leasing (as opposed to DAS transfers) is actually less likely to encourage permanent consolidation.
- Differential DAS was not under consideration in Amendment 13. Differential DAS counting emphasizes the need to acquire more DAS in order to remain economically viable. With the cap, not enough DAS can be leased so that the program serves as a mitigation measure as planned.

- Since Amendment 13, NMFS has determined that a vessel owner can increase a vessel's DAS leasing baseline through the DAS transfer program, which raises a vessel's leasing cap. This gives an advantage to vessel owners who can afford to acquire additional permits.
- The DAS leasing cap present an economic hardship which can be overcome (with enough capital) through the DAS transfer program. Removing the cap will help those with less capital use the leasing program as it was designed.

Mr. Cunningham noted that the Regional Administrator spoke strongly against the Council's recommendations for the interim action, but if the GAP wanted to endorse those recommendations, an opportunity to state their concerns could be made at the October Council meeting (there will not be a Committee meeting prior to that date).

The GAP debated whether to endorse the entire Council recommendation or just the mitigating measures (including the suggestion to remove the leasing cap). There were different opinions on many of the proposed mitigating measures: two members opposed reducing the haddock minimum size, another suggested changing the DAS cap rather than removing it. The GAP finally agreed on the following consensus statement, with six members supporting this summary and two objecting.

The GAP supports the Council's recommendations for the interim measures for FY 2009, including the Council's suggestions for a catch-based management approach and appropriate mitigating measures. In addition, the GAP suggests that the Council should recommend removal of the cap on DAS leasing. The GAP urges the Council to re-emphasize the importance of these measures to NMFS as the interim action is developed.

Amendment 16

The Chair and staff reviewed GAP recommendations from the May 2008 meeting and the Council response to those recommendations.

Joint Liability for Sector Members

The GAP asked the Council to limit the offenses that were subject to joint sector liability; the Council referred this issue to the Enforcement Committee but no action has been taken to date. Several members felt this was a critical issue for sector development. The current regulations do not seem consistent with the language in Amendment 13 and dissuades participation in sectors. While it was noted that there have been several instances where current sector members were issued fines for violations but liability did not extend to the entire sector, most members felt the issue should not be left to the discretion of enforcement officials but should be clarified. The GAP urges the Council to quickly address this issue, and to provide the GAP an opportunity to comment on any recommendations of the Enforcement Committee.

Recreational/Commercial Allocations

The GAP reviewed the Council response to an earlier recommendation that if there is a commercial/recreational allocation of groundfish, both components of the fishery need to be adequately monitored and held to their allocations through accountability measures. The GAP noted that the Council had specified how recreational data would be compared to ACLs, and was in the process of developing accountability measures (AMs). Concern was expressed over whether the types of AMs being considered would be able to control

catch. This led to a broader discussion of whether the tools being considered in the amendment could control catch for any component of the fishery: sectors, common pool, recreational, etc. Several members expressed concern that everyone needs to be held to the same standard when monitoring catch.

GAP members returned to the issue of the recreational/commercial allocation and questioned why the proposals did not suggest a consistent time frame for all stocks. Several members also commented that allocating 50 percent of GOM winter flounder (one option being considered) was unreasonable. **The Panel recommended that to simplify administration, one time period should be used across all stocks, and the GAP suggests this period should be 1996-2006.** The Panel noted this option is being considered for the stocks most likely to have an allocation.

Sector Monitoring

The GAP reviewed the sector monitoring provisions under development for Amendment 16. A member supported the Committee's recommendation that the provision should be described in broad terms so that sectors can develop program appropriate to their needs. In addition, several members spoke against specifying a required level of at-sea or dockside coverage in the amendment, unless it is done in terms of a level of precision that is desired. Panel members suggested reporting details should be included in the sectors Operations Plan. **The GAP recommends that specific levels of coverage not be included in the amendment, as each sector's requirements may be different.**

Sector Mobility

A panel member suggested that sector rules should be modified so that if a vessel is sold during a fishing year it can exit a sector and either enter another sector or fish in the common pool. It was argued that if this change is not made the market for vessels will be severely constrained. Panel members noted several problems with this recommendation: it weakens a sector's control over its vessels, would be difficult to determine the comparability between ACE caught and DAS remaining, and would make it difficult to reconcile quota. One member suggested vessels remain in the common pool if a sale is likely so that flexibility is maintained.

Limits on Vessels in the Confirmation of Permit History (CPH) Category

The GAP discussed changes to measures that prevent the leasing of DAS from permits in the CPH category, and that prevent these permits from joining sectors. Members noted that there is a simple work-around to this restriction: take the permit out of CPH and place it on a skiff. The restriction is thus ineffective and only serves to create additional paperwork as VTRs must be submitted for these vessels, they must be registered, etc. Members reviewed the origin of this restriction – a last-minute addition during Amendment 13 review. **The GAP recommends the Council allow permits in the CPH category to either lease DAS or join sectors.** A member noted that this suggestion might lead to a significant change in the permit market, as it would make it easier to hold permits for investment purposes.

Several GAP members also argued that there was a need for a comprehensive look at vessel replacement and upgrade requirements, and other permitting requirements. They suggested tonnage requirements should be removed as they are ineffective – members argued tonnage can be changed with enough money and a good naval architect. GAP members noted a pending scallop action will remove tonnage limitations.

The GAP recommends that the Council allow CPH permits to be able to be leased and also to be able to join sectors in Amendment 16.

The GAP recommends that the Council or Executive Committee consider tasking an ad hoc committee with a more comprehensive look at vessel replacement and upgrade requirements.

Gillnet Mesh Requirements

A panel member reported the inability of gillnet vessels to target haddock because gillnet mesh is too large to retain the fish. This forces these vessels to target cod and limits opportunities to benefit from the rebuilding of haddock stocks. The GAP adopted the following consensus: **given the current status of GOM cod and haddock, the GAP recommends the Council allow the use of 30 nets with 6-inch gillnets during January –April for the purpose of targeting GOM haddock. The GAP supports reasonable requirements for this program, such as a requirement for a letter of authorization to participate, advance notice to the observer program, etc.**

The GAP noted that sectors can ask for a similar provision through their operations plan. The GAP supports such requests, since sectors are subject to a hard TAC on GB cod (and eventually on most stocks).

Carry-Over DAS

When Amendment 13 effort reductions were implemented, all carry-over DAS were assigned to be Category B DAS allocations. GAP members felt that Amendment 16 should allow carry-over DAS to be brought forward into the subsequent fishing year, and that in any case the issue should be addressed in the amendment so vessel operators can plan their DAS use.

Trip Limits

GAP members expressed concern that with increasing stock size, trip limits are leading to unacceptable levels of discards. They discussed increasing trip limits to reduce this problem. Panel members noted that the Council directed the PDT to develop an option without trip limits, while using differential DAS to control effort. Staff noted that in the past trip limits were often viewed as a way to avoid further DAS cuts, and it was not clear that the Council or the industry would accept the effort reductions necessary to make a significant change to trip limits.

Other Issues

Spiny Dogfish

The GAP expressed concern about the exploding population of spiny dogfish. Many members reported seeing an abundance of large females from Maryland to Maine. The dogfish are clogging nets and are being discarded in large numbers. Members expressed concern that the science is wrong and that the stock is inhibiting groundfish recovery. GAP members expressed concern that the NEFMC was not fully involved in upcoming actions for this stock. They also said that the stock needed a new benchmark assessment and that its role in the ecosystem needed closer examination. To this last point, one member disagreed that this was a major concern, citing studies that suggest this dogfish are not inhibiting groundfish rebuilding. The GAP agreed to the following consensus statement, with one dissent on the ecosystem provision:

The GAP urges the NEFMC to:

- **Choose spiny dogfish as a priority for management in 2009, specifically to address the issue of revising the biomass target**
- **Urge the NEFMC to allocate adequate resources to fully participate in spiny dogfish management, and to establish appropriate biomass target for this fishery**
- **Urge the NEFMC to request an examination of the ecosystem implications of rebuilding spiny dogfish**
- **Integrate NEFMC efforts into the current efforts at the MAFMC**

Fleet Revitalization

The GAP reviewed a one page outline of a “New England Fisheries Revitalization and Economic Development Program.” The outline listed three objectives: create a viable exit strategy for fishermen during ongoing quota conversion, end overfishing and improve rebuilding efforts through implementation of hard catch limits, and increase accountability and improve fisheries science through significantly improving groundfish monitoring programs. The document called for over \$150 million in appropriations over five years to support a groundfish buyback, catch monitoring, and sector development. It proposed that hard catch limits be adopted in the fishery. The outline was described as a concept under development but not at present a Council proposal.

Members held a general discussion on the proposal. Many were in favor of a buyback if not industry funded, as was the case with a recent program that was designed, and supported the proposed appropriations with some opposition to the idea of providing funding for sector development. There was a question in regards to the concept of catch limits (“hard” catch limits) and the action that would take place when a limit was met. There were questions over the disposition of the funds, with concerns expressed over NMFS administering the funds for monitoring programs. Issues related to the disposition of landings or DAS history that was bought out also needed to be resolved, with some members suggesting it should be reallocated and others saying it should disappear. Members were puzzled how this concept fit into the Council process, noting that the Council cannot lobby Congress for this program. They also commented that the Council had not made a clear decision on its future path for groundfish management - while many

assumed that the Council was moving towards a quota or catch-limit based system, the reality was that there was not any formal decision expressing that plan. This complicates not only Amendment 16 development but industry planning for the future.

The GAP supports the Council discussion of a bridge to move to the next management system. The Council needs to clarify its vision of where it is headed so that stakeholders can develop a parallel process to assist in achieving those goals.

The GAP recommends that the Council clarify its vision of where it is headed so that stakeholders can develop and pursue a parallel process to assist in transitions as necessary to achieve those goals.