

4.0 DRAFT ALTERNATIVES UNDER CONSIDERATION

4.1 Fishery Program Administration

4.1.1 Sector Administration Provisions

The management measures proposed in this section relate to sector administration policies established in Amendment 13 and Amendment 16.

The alternatives for modifying the current sector administration provisions are described below. The following alternatives will consider changes to the administration of the groundfish sector program designed to improve the operation of the system. The goal is to reduce reporting redundancies, reduce the burden on sector managers for reporting data, increase flexibility for sector participants with business planning, and improve the quality and timeliness of data processing. Additionally, there are alternatives to establish additional funding source options for the groundfish at-sea monitoring program.

4.1.1.1 Sector Reporting Requirements

4.1.1.1.1 Option 1: No Action

Sectors are required to report all landings and discards by sector vessels to NMFS on a weekly basis. Additionally, there is a requirement that sectors submit annual year-end reports (Amendment 13 and Amendment 16). Current regulations require that approved sectors must submit an annual year-end report to NMFS and the Council, within 60 days of the end of the fishing year that summarizes the fishing activities of its members, including harvest levels of all species by sector vessels (landings and discards by gear type), enforcement actions, and other relevant information required to evaluate the performance of the sector. More information on sector reporting requirements and the NMFS year-end report guidance can be found in Attachment 1 (Background Information on the Groundfish Monitoring Program).

Option 1/No Action would continue to require sectors to report all landings and discards to NMFS on a weekly or daily basis, and would continue to require that sectors submit annual year-end reports to NMFS and the Council.

4.1.1.1.2 Option 2: Streamline Sector Reporting Requirements

This measure would grant the Regional Administrator authority to revise the sector monitoring and reporting requirements currently prescribed in the regulations [648.87(b)(1)(v) and (vi)] to streamline the sector reporting process. For example, this could include eliminating the requirement for sectors to submit weekly and daily reports in lieu of the agency providing monitoring summaries for the sectors to use while continuing reconciliation to confirm accuracy.

In Amendment 16, the Council required sectors to report all landings and discards by sector vessels to NMFS on a weekly basis. At the time this was developed, the expectation was that sectors would use real-time information from their vessels to monitor catch. In practice, NMFS provides sector managers with a weekly download of official trip data (dealer and VTR landings data, observer discard data, and calculated discard rates for unobserved trips), and most sectors then use the weekly downloads to update their sector accounting and then submit a weekly report to NMFS. Other sectors use data collected directly from vessels in their reports. Data reconciliation occurs regularly between the sectors and NMFS

to improve monitoring accuracy.

A more efficient process might be developed that would still involve timely monitoring and reconciliation of data sources between sectors and NMFS. If deemed sufficient by the Regional Administrator, an alternative to the process currently prescribed in the regulations may satisfy the need to:

- Summarize trips validated by dealer reports;
- Oversee the use of electronic monitoring equipment and review of associated data;
- Maintain a database of VTR, dealer, observer, and electronic monitoring reports;
- Determine all species landings by stock areas;
- Apply discard estimates to landings;
- Deduct catch from ACEs allocated to sectors; and
- Determine sector catch and ACE balances.

Additional changes to streamline sector reporting could include such items as¹:

- Using NMFS reconciled data to determine when the trigger for sector daily catch reporting has been reached (required when 90 percent of any ACE has been caught), rather than using sector self-reported data. As described above, sector data is not any timelier and the reconciled data is more accurate, so using NMFS reconciled data would be more efficient and reliable than relying solely on sector reports.
- Modifying trip end hauls to accommodate catch reporting and to eliminate redundancy.

Rationale: Streamlining the sector reporting process would reduce reporting redundancies, provide flexibility to sectors and sector managers, and improve timeliness of data processing.

4.1.1.2 Knowing Total Monitoring Coverage Level at a Time Certain

4.1.1.2.1 Option 1: No Action

The timeline for when total monitoring coverage level information is available has varied throughout the years of the groundfish monitoring program (Table 1). Currently, NMFS publishes the total monitoring coverage level once the necessary analysis is completed. Typically, analysis to determine the at-sea monitoring (ASM) coverage level is available sooner than the Standardized Bycatch Reporting Methodology (SBRM) analysis used to determine the Northeast Fisheries Observer Program (NEFOP) coverage level.

Current regulations set December 1 as the deadline for sectors to submit preliminary rosters, but give NMFS flexibility to set other dates. For example, in FY 2013, managers asked for a later date, and they agreed on March 29, 2013. Beginning in FY 2014, NMFS established a standard deadline of four weeks after potential sector contribution (PSC) letters are sent out, although in several years, there have been agreed-upon extensions.

¹ These items were initially included in a letter from NMFS to the Council: “Bullard to NEFMC re sector reporting streamlining”, dated August 14, 2013.

Table 1 - Target and realized observer (NEFOP and ASM) coverage levels for the groundfish fishery and dates when analyses to determine coverage rates available for Fishing Years 2010-2017 (GARFO 2017). “n/a” indicates that the information is not available.

Fishing Year	NEFOP target coverage level	ASM target coverage level	Total target coverage level	Realized coverage level	Date analysis posted by GARFO to determine total coverage rate	Date ASM coverage rate announced	Date sector rosters were due
FY 2010	8 %	30 %	38 %	32 %			
FY 2011	8 %	30 %	38 %	27 %			12/1/2010
FY 2012	8 %	17 %	25 %	22 %			12/1/2011
FY 2013	8 %	14 %	22 %	20 %	4/12/2013	3/14/2013	3/29/2013
FY 2014	8 %	18 %	26 %	25.7%	2/21/2014	2/18/2014	3/6/2014
FY 2015	4 %	20 %	24 %	19.8%	3/2/2015	2/26/2015	2/25/2015
FY 2016	4 %	10 %	14 %	11.1%	5/6/2016	3/22/2016	3/15/2016
FY 2017	4 %	12 %	16 %	n/a*	3/15/2017	3/15/2017	3/16/2017
FY 2018	5%	10%	15 %		1/25/2018	1/25/2018	3/26/2018

*Realized coverage not available; fishing year still underway.

Source: Summary of analyses conducted to determine at-sea monitoring requirements for multispecies sectors, FY2018, GARFO; and personal communication with GARFO staff

Option 1/No Action would continue the current process of making the total monitoring coverage level available once the necessary analysis is completed.

4.1.1.2.2 Option 2: Administrative Measure for Knowing Total Monitoring Coverage Level at a Time Certain

This measure would consider alternatives that facilitate knowing the target monitoring coverage level at a specific date in advance of the start of the fishing year to facilitate business planning by permit holders and sectors. Groundfish fishery participants need this information in advance of the fishing year in order to decide whether to participate in sectors for the upcoming year and to finalize their business planning. The feasibility of setting a fixed date is related to the method used for setting coverage rates and the desired timeliness of the underlying data used in the analysis.

Certain alternatives for determining target monitoring coverage levels may not require extensive analysis to determine target coverage levels for the upcoming fishing year. For example, alternatives for fixed target coverage levels would provide sectors a clear understanding of the target monitoring coverage level for upcoming years. However, alternatives that base the coverage rate on an analysis of past years' data must trade off timeliness of the data available in time to complete the analysis by the deadline.

Rationale: Knowing the target monitoring coverage level at a specific date in advance of the start of the fishing year would provide flexibility to groundfish fishery participants by making the necessary information available for participants to decide whether to participate in sectors for the upcoming year

and to finalize their business planning.

4.1.1.3 Funding for the Groundfish Monitoring Program

4.1.1.3.1 Option 1: No Action

Beginning in 2012, Amendment 16 required that the at-sea monitoring program would be industry funded. However, since then NMFS has had sufficient funding to be able to pay for all or some of the sampling costs of the groundfish at-sea monitoring program. From FY 2012 through FY 2014, NMFS fully covered the sampling costs of the at-sea monitoring program. In FY 2015, NMFS fully covered sampling costs for the at-sea monitoring program until funds were expended in March 2016, at which point industry became responsible for the cost of at-sea monitoring. From July 2016 through April 2018, NMFS partially reimbursed sector participants for at-sea monitoring costs through a grant with the Atlantic States Marine Fisheries Commission.

In 2018, Congress directed NOAA to fully fund at-sea monitoring and allocated funds to do so. NOAA is currently reimbursing industry for 100 percent of its at-sea monitoring costs for fishing year 2018, and has set aside additional funds for industry reimbursement for future years. It is anticipated that once these appropriated funds are used, sampling costs of at-sea monitoring would be fully paid for by industry, unless additional funds are appropriated by Congress.

Option 1/No Action would continue to require industry to fund at-sea monitoring costs.

4.1.1.3.2 Option 2: Additional Options for Industry-Funded Costs of Monitoring²

² The Groundfish Committee passed a motion at its May 9, 2018 meeting to move Section 4.1.1.3.2 (Option 2: Additional Options for Industry Funded Cost of Monitoring) to considered and rejected.

4.2 Commercial Fishery Measures

4.2.1 Groundfish Monitoring Program Revisions

Sectors are responsible for developing and implementing a monitoring program, described in their operations plans, that satisfies NMFS and Council requirements for monitoring sector catch and discards (Amendment 13, Amendment 16, FW 45, FW 48, and FW 55).

The primary goal of the groundfish sector at-sea monitoring program is to verify area fished, catch, and discards by species, by gear type; and meeting these primary goals should be done in the most cost effective means practicable (FW 55). All other goals and objectives of groundfish monitoring programs at §648.11(l) are considered equally-weighted secondary goals.

The goals and objectives of the groundfish monitoring program, are as follows:

Goal 1: Improve documentation of catch

Objectives:

Determine total catch and effort, for each sector and common pool, of target or regulated species. Achieve coverage level sufficient to minimize effects of potential monitoring bias to the extent possible while maintaining as much flexibility as possible to enhance fleet viability.

Goal 2: Reduce cost of monitoring

Objectives:

Streamline data management and eliminate redundancy.

Explore options for cost-sharing and deferment of cost to industry. Recognize opportunity costs of insufficient monitoring.

Goal 3: Incentivize reducing discards

Objectives:

Determine discard rate by smallest possible strata while maintaining cost-effectiveness. Collect information by gear type to accurately calculate discard rates.

Goal 4: Provide additional data streams for stock assessments

Objectives:

Reduce management and/or biological uncertainty.

Perform biological sampling if it may be used to enhance accuracy of mortality or recruitment calculations.

Goal 5: Enhance safety of monitoring program

Goal 6: Perform periodic review of monitoring program for effectiveness

The following sections describe options to adjust landing and discard monitoring for sector vessels. These options may replace existing monitoring and reporting requirements, or may be implemented in addition

to existing programs to improve data collection (e.g., improved discard monitoring systems, dockside monitors for landings, etc.). The range of alternatives considered by the Council includes the current system (No Action) as well as the options proposed below.

4.2.1.1 Monitoring Coverage Levels

4.2.1.1.1 Option 1: No Action

Amendment 16 specified a coverage level standard for sectors and required industry-funded ASM beginning in 2012. This requirement focused on the coefficient of variation (CV) of discard estimates, a measure of the precision of discard estimates, but also noted that other factors could be considered when determining coverage levels:

“For observer or at-sea monitor coverage, minimum coverage levels must meet the coefficient of variation in the Standardized Bycatch Reporting Methodology. The required levels of coverage will be set by NMFS based on information provided by the Northeast Fisheries Science Center (NEFSC) and may consider factors other than the SBRM CV standard when determining appropriate levels. Any electronic monitoring equipment or systems used to provide at-sea monitoring will be subject to the approval of NMFS through review and approval of the sector operations plan. Less than 100% electronic monitoring and at-sea observation will be required. In the event that a NMFS-sponsored observer and a third-party at-sea monitor are assigned to the same trip, only the NMFS observer must observe that trip.

Assumed discard rates will be applied to sectors unless an at-sea monitoring system (such as a sector’s independent monitoring program, a federal monitoring program, or other program that NMFS determines is adequate) provides accurate information for use of actual discard rates.”

Currently, a system for fishery performance criteria is used in setting groundfish sector coverage levels (FW 55). Application of the CV standard is filtered consistent with existing goals for the monitoring program, such that stocks that meet the performance criteria are not drivers for the annual coverage level. More information on the fishery performance criteria can be found in Attachment 1 (Background Information on the Groundfish Monitoring Program).

If Option 1/No Action is adopted, groundfish monitoring coverage level requirements would remain as defined in Amendment 16 and subsequent framework actions (FW 48 and FW 55). Currently, the target at-sea monitoring/electronic monitoring coverage level must meet the CV precision standard specified in the Standardized Bycatch Reporting Methodology (currently a 30 percent CV) for discard estimates at the stock level for all sectors and gears combined. Additionally, sector coverage levels are based on the most recent 3-year average of the total required coverage level (based on realized stock level CVs) necessary to reach the required CV for each stock, and are set using fishery performance criteria so that stocks that meet the performance criteria (not overfished, with overfishing not occurring according to the most recent available stock assessment, and that in the previous fishing year have less than 75 percent of the sector sub-ACL harvested, and less than 10 percent of catch comprised of discards) are not drivers for the annual coverage level.

4.2.1.1.2 Option 2: Fixed Total Monitoring Coverage Level

Adequate coverage (combined NEFOP, ASM and EM) is required to generate accurate discard estimates with a known level of precision. All of the options below – including requirements for coverage adequate for the accuracy and precision of estimates - would be interpreted and applied consistent with the overarching goals and objectives of the sector monitoring program.

Currently, the target at-sea monitoring/electronic monitoring coverage level must at least meet the coefficient of variation (CV) specified in the Standardized Bycatch Reporting Methodology (currently a 30-percent CV) for discard estimates at the stock level for all sectors combined (see Section 4.2.1.1.1).

Four levels of at-sea monitoring coverage are analyzed which, if chosen, would replace the current CV standard. The Council would select one of these coverage levels.

- *Sub-Option 2A* – A range of fixed target coverage levels – an annual target coverage level of 25 percent, 50 percent, 75 percent, or 100 percent - of all sector trips.

Rationale: The goal is to achieve a monitoring coverage level that ensures precise and accurate catch (landings and discards) estimation and minimizes the potential for biases in the estimates.

4.2.1.1.3 Option 3: Alternative Methodologies to Using a CV Standard to Determine an Annual Coverage Target

There are alternatives to a precision standard for determining target coverage levels that focus on other factors such as accuracy of discard estimates or encouraging compliance. [To be developed.]

Rationale: The goal is to achieve a monitoring coverage level that ensures precise and accurate catch (landings and discards) estimation and minimizes the potential for biases in the estimates.

4.2.1.2 Dockside Monitoring Program

4.2.1.2.1 Option 1: No Action

There is currently no requirement for dockside monitoring for the groundfish monitoring program. Amendment 16 established a dockside monitoring program in the groundfish fishery, in order to verify landings of a vessel at the time it is weighed by a dealer and to certify the landing weights are accurate as reported on the dealer report. The dockside monitoring requirement was later eliminated (FW 48). More information on the previous dockside monitoring program can be found in the PDT Dockside Monitoring Discussion Paper [in the process of being finalized, to be included as an appendix in the DEIS].

Option 1/No Action would continue to maintain no requirement for dockside monitoring for the groundfish fishery.

4.2.1.2.2 Option 2: Dockside Monitoring Program

The following measures will consider changes to how landings are monitored in the groundfish fishery. The goal is to improve the reliability and accountability of landings.

The following measures would create a dockside monitoring (DSM) program for the groundfish fishery that would focus on monitoring landings by either independently weighing landings or verifying landed catch is weighed and accurately reported by dealers. The goal of a DSM program system is verify landings by providing an independent landings data stream that may be compared to dealer-reported

landings in order to ensure accurate accounting for/estimation of landings.

- *Sub-Option 2A* – Develop a mandatory dockside monitoring program for the commercial groundfish fishery (sectors and common pool), at either 50 percent or 100 percent coverage. The Council would choose one of these coverage levels.
- *Sub-Option 2B* – Develop a dockside monitoring program as an option for sectors to use as part of their sector monitoring plans.

Rationale: The goal is to establish a dockside monitoring program that allows for verification of accurate landings for the entire groundfish fishery.

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5.0 DRAFT ALTERNATIVES CONSIDERED AND REJECTED

5.1 Fishery Program Administration

5.1.1 Sector Administration Provisions

5.1.1.1 Funding for the Groundfish At-Sea Monitoring Program

5.1.1.1.1 Option 2: Additional Options for Industry-Funded Costs of Monitoring

Under Amendment 16, sectors must develop and fund their own monitoring programs. Sectors are still expected to bear the costs of the monitoring program changes adopted in Amendment 23.³

Funding source ideas

The costs of additional monitoring can be considerable. This action will consider regulatory changes that will help offset the cost of monitoring for sectors. Ideas to offset monitoring costs include:

- Quota auctions and quota set-asides, where a portion of the ACL for key stocks could be auctioned off annually to fund monitoring. This is done in some Fishery Management Plans (FMPs), where a portion of the quota is reserved as a set-aside and auctioned off annually to provide additional catch opportunity and a source of funding for management priorities like research. Section 208 of the Magnuson-Stevens Act (MSA) established a Fisheries Conservation and Management Fund, which may be funded through quota set-asides, appropriations, states or other public sources, and private or nonprofit organizations. This fund may be used to expand the use of electronic monitoring.

This measure will establish the necessary infrastructure for a quota auction.⁴

Rationale: Quota auctions may offset the cost of monitoring for sectors. This measure would consider regulatory changes to establish a quota auction.

Rationale for not including 5.1.1.1.1: After reviewing the work to date, the Groundfish Committee had concerns that an option to set up a quota auction or quota set-aside would further reduce available quota at a time while the groundfish fishery continues to operate under historically low annual catch limits. Therefore, the Committee did not recommend this action for further development.

³The Council recently adopted the IFM Amendment. The IFM Amendment discusses that the existing groundfish monitoring program is excluded from the newly adopted IFM approach. The PDT is aware that there are provisions in the IFM Amendment that will need to be considered for determining how the adjusted groundfish monitoring program in Amendment 23 fits into the IFM approach, and plans to explore this concept further. At present, the PDT does not expect that the IFM approach would apply to the adjusted groundfish monitoring program.

⁴ The PDT is exploring potential limitations to setting up a quota auction for the groundfish sector program. One question is whether the Council can provide a quota auction system outside of Limited Access Privilege Programs (LAPPs). Additionally, even if it is determined the Council can establish a quota auction system for the groundfish sector program, the funds collected would go into the Limited Access System Administration Fund established by section 305(h)(5)(B) of the MSA and would be subject to annual appropriations.