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DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648-XF836

**International Affairs; U.S. Fishing Opportunities in the Northwest Atlantic
Fisheries Organization Regulatory Area**

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notification of U.S. fishing opportunities.

SUMMARY: We are announcing 2018 fishing opportunities in the Northwest Atlantic Fisheries Organization (NAFO) Regulatory Area. This action is necessary to make fishing privileges in the NAFO Regulatory Area available on an equitable basis to the extent possible. The intended effect of this notice is to alert U.S. fishing vessels of the NAFO fishing opportunities, to relay the available quotas available to U.S. participants, and to outline the process and requirements for vessels to apply to participate in the 2018 NAFO fishery.

DATES: Valid from January 1, 2018, through December 31, 2018. Expressions of interest regarding fishing opportunities in NAFO will be accepted through **[INSERT DATE 15 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: Expressions of interest regarding U.S. fishing opportunities in NAFO should be made in writing to John K. Bullard, U.S. Commissioner to NAFO, NMFS

Greater Atlantic Regional Fisheries Office at 55 Great Republic Drive, Gloucester, MA 01930 (phone: 978-281-9315, e-mail: John.Bullard@noaa.gov).

Information relating to chartering vessels of another NAFO Contracting Party, transferring NAFO fishing opportunities to or from another NAFO Contracting Party, or U.S. participation in NAFO is available from Patrick E. Moran in the NMFS Office of International Affairs and Seafood Inspection at 1315 East-West Highway, Silver Spring, MD 20910 (phone: 301-427-8370, fax: 301-713-2313, e-mail: Pat.Moran@noaa.gov).

Additional information about NAFO fishing opportunities, NAFO Conservation and Enforcement Measures (CEM), and the High Seas Fishing Compliance Act (HSFCA) Permit required for NAFO participation is available from Shannah Jaburek, in the NMFS Greater Atlantic Regional Fisheries Office at 55 Great Republic Drive, Gloucester, MA 01930 (phone: 978-282-8456, fax: 978-281-9135, e-mail: Shannah.Jaburek@noaa.gov) and online from NAFO at <https://www.nafo.int>.

FOR FURTHER INFORMATION CONTACT: Shannah Jaburek, (978) 282-8456.

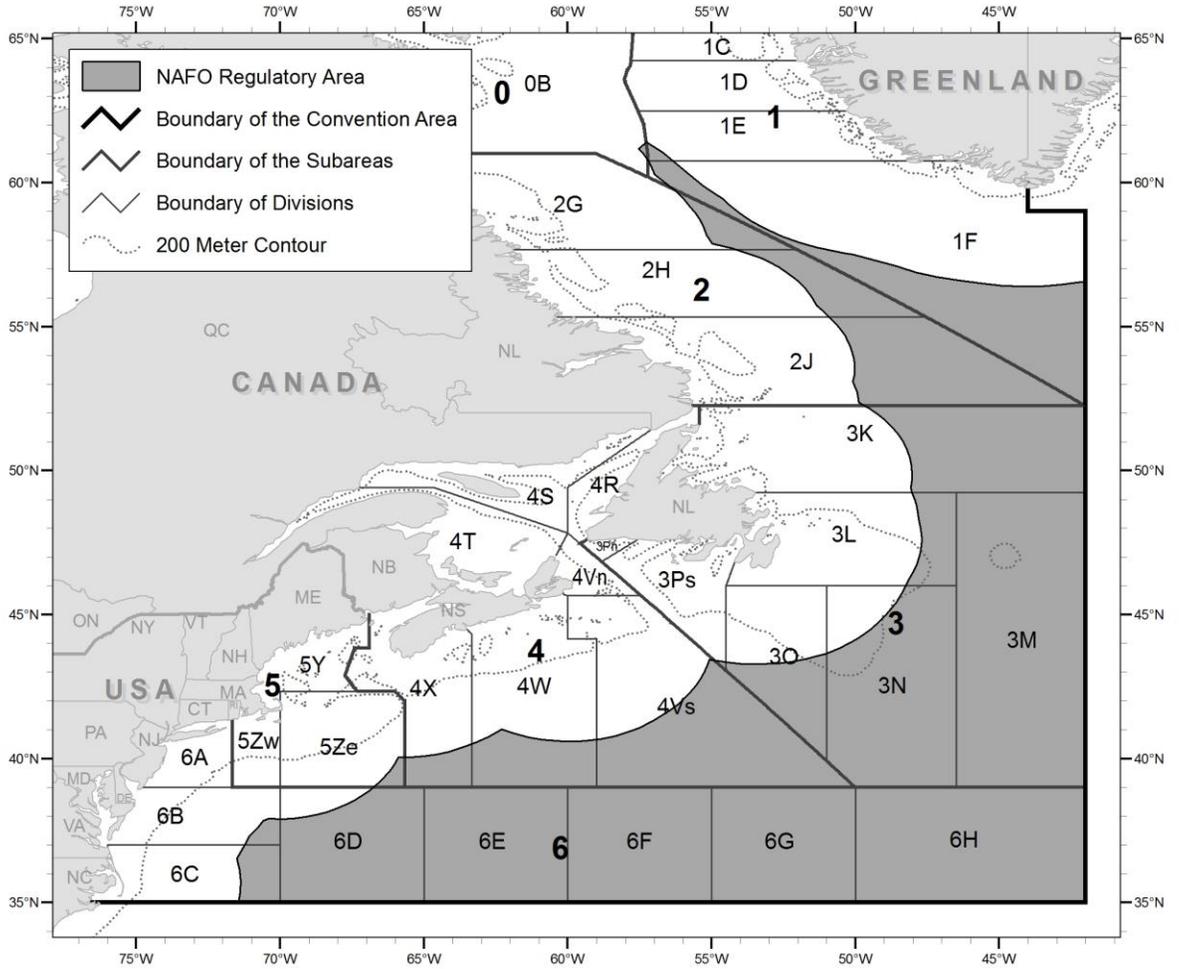
SUPPLEMENTARY INFORMATION:

General NAFO Background

The United States is a Contracting Party to the Northwest Atlantic Fisheries Organization or NAFO. NAFO is an intergovernmental fisheries science and management body whose convention applies to most fishery resources in international waters of the Northwest Atlantic, except salmon, tunas/marlins, whales, and sedentary species such as shellfish. Currently, NAFO has 12 contracting parties from North America, Europe, Asia, and the Caribbean. NAFO's Fisheries Commission is responsible for the management and conservation of the fishery resources in the

Regulatory Area (waters outside the Exclusive Economic Zones (EEZs)). Figure 1 shows the NAFO Regulatory Area.

Figure 1. NAFO Convention Area including Statistical Subareas, Divisions, and Subdivisions.



As a Contracting Party within NAFO, the United States may be allocated catch quotas or effort allocations for certain species in specific areas within the NAFO Regulatory Area and may participate in fisheries for other species for which we have not received a specific quota. For most stocks for which the United States does not receive a specific allocation, an open allocation, known as the “Others” allocation under the Convention, is shared access between all NAFO Contracting Parties.

Additional information on NAFO can be found online at <https://www.nafo.int/About-us>. The 2018 NAFO Conservation and Enforcement Measures (CEM) that specify the fishery regulations, Total Allowable Catches (TACs or “quotas”) and other information about the fishery program are available online at: <https://www.nafo.int/Fisheries/Conservation>.

This notice announces the fishing opportunities available to U.S. vessels in NAFO regulatory waters, including specific 2018 stocks for which the United States has an allocation under NAFO, and fishing opportunities under the ‘Other’ NAFO allocations. This notice also outlines the application process and other requirements for U.S. vessels that wish to participate in the 2018 NAFO fisheries.

NAFO Fishing Opportunities Available to U.S. Fishing Vessels

The principal species managed by NAFO are Atlantic cod, yellowtail and witch flounders, Acadian redfish, American plaice, Greenland halibut, white hake, capelin, shrimp, skates, and *Illex* squid. NAFO specifies conservation measures for fisheries on these species occurring in its Regulatory Area, including TACs for these managed

species that are allocated among NAFO Contracting Parties. The United States received quota allocations at the 2017 NAFO Annual Meeting for two stocks to be fished during 2018. The species, location by NAFO subarea, and allocation (in metric tons (mt)) of these 2018 U.S. fishing opportunities are as follows: Redfish in Division 3M, 69 mt; and *Illex* Squid in Subareas 3 & 4, 453 mt. In addition, the United States expects a transfer of 1,000 mt of NAFO Division 3LNO yellowtail flounder from Canada’s 2018 quota allocation consistent with a 2008 bilateral arrangement between the two countries.

The TACs that may be available to U.S. vessels for stocks where the United States has not been allocated quota (i.e., the “Others” allocation in Annex I.A of the CEM) are as follows:

Table 1. 2018 NAFO “Others” Allocations.

<u>Species</u>	<u>NAFO Division</u>	<u>Others Quota</u>
Cod	3M	45
Redfish	3LN	85
	3M	124
	3O	100
Yellowtail Flounder	3LNO	85
Witch Flounder	3NO	11
White Hake	3NO	59
Skates	3LNO	258
<i>Illex</i> squid	Squid 3_4 (Sub-Areas 3+4)	794

Note that the United States shares these allocations with other NAFO Contracting Parties, and access is on a first come, first served basis. Directed fishing is prohibited by NAFO when the “Others” quota for a particular stock has been fully harvested.

Additional directed quota for these and other stocks managed within the NAFO Regulatory Area could be made available to U.S. vessels through industry-initiated chartering arrangements or government-to-government transfers of quota from other NAFO Contracting Parties.

U.S. vessels participating in NAFO may also retain bycatch of NAFO managed species to the following maximum amounts as outlined in Article 6 of the 2018 CEM. The percentage, by weight, is calculated as a percent of each stock of the total catch of species listed in Annex I.A (i.e., the NAFO managed stocks previously listed) retained onboard from the applicable division at the time of inspection, based on logbook information:

1. Cod, Division 3M: 1,250 kg or 5 percent, whichever is more;
2. Witch Flounder, Division 3M: 1,250 kg or 5 percent, whichever is more;
3. Redfish, Division 3LN: 1,250 kg or 5 percent, whichever is more;
4. Cod, Division 3NO: 1,000 kg or 4 percent, whichever is more;
5. For all other Annex I.A stocks where the U.S. has no specific quota the bycatch limit is, 2,500 kg or 10 percent unless a ban on fishing applies or the quota for the stock has been fully utilized. If the fishery for the stock is closed or a retention ban applies, the permitted bycatch limit is 1,250 kg or 5 percent; and
6. For the directed yellowtail flounder fishery in Divisions 3LNO (where the United States has a 1,000 mt yellowtail flounder allocation in 2018) vessels may retain 15 percent of American plaice.

Opportunities to fish for species not listed above (i.e., species listed in Annex I.A of the 2018 NAFO CEM and non-allocated on non-regulated species), but occurring

within the NAFO Regulatory Area, may also be available. U.S. fishermen interested in fishing for these other species should contact the NMFS Greater Atlantic Regional Fisheries Office (see **ADDRESSES**) for additional information. Authorization to fish for such species will include permit-related conditions or restrictions, including but not limited to, minimum size requirements, bycatch-related measures, and catch limits. Any such conditions or restrictions will be designed to ensure the optimum utilization, long-term sustainability, and rational management and conservation of fishery resources in the NAFO Regulatory Area, consistent with the Convention on Future Multilateral Cooperation in the Northwest Atlantic Fisheries as well as the Amendment to the Convention on Future Multilateral Cooperation in the Northwest Atlantic Fisheries, which has been adopted by all NAFO Contracting Parties.

Applying for these Fishing Opportunities

Expressions of interest to fish for any or all of the 2018 U.S. fishing opportunities in NAFO described above will be considered from all U.S. fishing interests (e.g., vessel owners, processors, agents, others). Applicants are urged to carefully review and thoroughly address the application requirements and selection criteria as detailed below. Expressions of interest should be directed in writing to Regional Administrator John Bullard (see **ADDRESSES**).

Information Required in an Application Letter

Expressions of interest should include a detailed description of anticipated fishing operations in 2018. Descriptions should include, at a minimum:

- Intended target species;
- Proposed dates of fishing operations;

- Vessel(s) to be used to harvest fish, including the name, registration, and home port of the intended harvesting vessel(s);
- The number of fishing personnel and their nationality involved in vessel operations;
- Intended landing port or ports; including for ports outside of the United States, whether or not the product will be shipped to the United States for processing;
- Processing facilities to be used;
- Target market for harvested fish; and,
- Evidence demonstrating the ability of the applicant to successfully prosecute fishing operations in the NAFO Regulatory Area, in accordance with NAFO management measures. This may include descriptions of previously successful NAFO or domestic fisheries participation.

Note that applicant U.S. vessels must possess or be eligible to receive a valid High Seas Fishing Compliance Act (HSFCA) permit. HSFCA permits are available from the NMFS Greater Atlantic Regional Fisheries Office. Information regarding other requirements for fishing in the NAFO Regulatory Area is detailed below and is also available from the NMFS Greater Atlantic Regional Fisheries Office (see **ADDRESSES**).

U.S. applicants wishing to harvest U.S. allocations using a vessel from another NAFO Contracting Party, or hoping to enter a chartering arrangement with a vessel from another NAFO Contracting Party, should see below for details on U.S. and NAFO requirements for such activities. If you have further questions regarding what

information is required in an expression of interest, please contact Patrick Moran (see **ADDRESSES**).

Criteria Used in Identifying Successful Applicants

Applicants demonstrating the greatest benefits to the United States through their intended operations will be most successful. Such benefits may include:

- The use of U.S vessels and crew to harvest fish in the NAFO Regulatory Area;
- Detailed, positive impacts on U.S. employment as a result of the fishing, transport, or processing operations;
- Use of U.S. processing facilities;
- Transport, marketing, and sales of product within the United States;
- Other ancillary, demonstrable benefits to U.S. businesses as a result of the fishing operation; and
- Documentation of the physical characteristics and economics of the fishery for future use by the U.S. fishing industry.

Other factors we may consider include but are not limited to: A documented history of successful fishing operations in NAFO or other similar fisheries; the history of compliance by the vessel with the NAFO CEM or other domestic and international regulatory requirements, including potential disqualification of an applicant with repeated compliance issues; and, for those applicants without NAFO or other international fishery history, a description of demonstrated harvest, processing, marketing, and regulatory compliance within domestic fisheries.

To ensure equitable access by U.S. fishing interests, we may provide additional

guidance or procedures, or we may issue regulations designed to allocate fishing interests to one or more U.S. applicants from among qualified applicants. After reviewing all requests for allocations submitted, we may also decide not to grant any allocations if it is determined that no requests adequately meet the criteria described in this notice.

Notification of Selected Vessels in the 2018 NAFO Fisheries

We will provide written responses to all applicants notifying them of their application status and, as needed for successful applicants, allocation awards will be made as quickly as possible so that we may notify NAFO and take other necessary actions to facilitate operations in the regulatory area by U.S. fishing interests. Successful applicants will receive additional information from us on permit conditions and applicable regulations before starting 2018 fishing operations.

Mid-Season Allocation Adjustments

In the event that an approved U.S. entity does not, is not able to, or is not expected to fish an allocation, or part thereof, awarded to them, NMFS may reallocate to other approved U.S. entities. If requested, approved U.S. entities must provide updated fishing plans and/or schedules. A U.S. entity may not consolidate or transfer allocations without prior approval from NMFS.

Chartering a Vessel to Fish Available U.S. Allocations

Under the bilateral arrangement with Canada, the United States may enter into a chartering (or other) arrangement with a Canadian vessel to harvest the transferred yellowtail flounder. For other NAFO-regulated species listed in Annexes I.A and I.B, the United States may enter into a chartering arrangement with a vessel from any other NAFO Contracting Party. Additionally, any U.S. vessel or fishing operation may enter

into a chartering arrangement with any other vessel or business from a NAFO Contracting Party. The United States and the other Contracting Party involved in a chartering arrangement must agree to the charter, and the NAFO Executive Secretary must be advised of the chartering arrangement before the commencement of any charter fishing operations. Any U.S. vessel or fishing operation interested in making use of the chartering provisions of NAFO must provide at least the following information: The name and registration number of the U.S. vessel; a copy of the charter agreement; a detailed fishing plan; a written letter of consent from the applicable NAFO Contracting Party; the date from which the vessel is authorized to commence fishing; and the duration of the charter (not to exceed six months).

Expressions of interest using another NAFO Contracting Party vessel under charter should be accompanied by a detailed description of anticipated benefits to the United States, as described above. Additional detail on chartering arrangements can be found in Article 26 of the CEM (<https://www.nafo.int/Fisheries/Conservation>).

Any vessel from another Contracting Party wishing to enter into a chartering arrangement with the United States must be in full current compliance with the requirements outlined in the NAFO Convention and CEM. These requirements include, but are not limited to, submission of the following reports to the NAFO Executive Secretary:

- Notification that the vessel is authorized by its flag state to fish within the NAFO Regulatory Area during 2018;
- Provisional monthly catch reports for all vessels of that NAFO Contracting Party operating in the NAFO Regulatory Area;

- Daily catch reports for each day fished by the subject vessel within the Regulatory Area;
- Observer reports within 30 days following the completion of a fishing trip; and
- An annual statement of actions taken by its flag state to comply with the NAFO Convention.

The United States may also consider the vessel's previous compliance with NAFO bycatch, reporting, and other provisions, as outlined in the NAFO CEM, before authorizing the chartering arrangement.

Transfer of U.S. Quota Allocations to Another NAFO Party

Under NAFO rules in effect for 2018, the United States may transfer fishing opportunities by mutual agreement with another NAFO Contracting Party and with prior notification to the NAFO Executive Secretary. An applicant may request to arrange for any of the previously described U.S. opportunities to be transferred to another NAFO party, although such applications will likely be given lesser priority than those that involve more direct harvesting or processing by U.S. entities. Applications to arrange for a transfer of U.S. fishing opportunities should contain a letter of consent from the receiving NAFO Contracting Party, and should also be accompanied by a detailed description of anticipated benefits to the United States. As in the case of chartering operations, the United States may also consider a NAFO Contracting Party's previous compliance with NAFO bycatch, reporting, and other provisions, as outlined in the NAFO CEM, before entering agreeing to a transfer.

Receiving a Transfer of NAFO Quota Allocations from another NAFO Party

Under NAFO rules in effect for 2018, the United States may receive transfers of

additional fishing opportunities from other NAFO Contracting Parties. We are required to provide a letter consenting to such a transfer and must provide notice to the NAFO Executive Secretary. In the event that an applicant is able to arrange for the transfer of additional fishing opportunities from another NAFO Contracting Party to the United States, the U.S. may agree to facilitate such a transfer. However, there is no guarantee that if an applicant has facilitated the transfer of quota from another Contracting Party to the United States, such applicant will receive authorization to fish for such quota. If quota is transferred to the United States, we may need to solicit new applications for the use of such quota. All applicable NAFO requirements for transfers must be met. As in the case of chartering operations, the United States may also consider a NAFO Contracting Party's previous compliance with NAFO bycatch, reporting, and other provisions, as outlined in the NAFO CEM, before agreeing to accept a transfer. Any fishing quota or other harvesting opportunities received via this type of transfer are subject to all U.S and NAFO rules as detailed below.

For more details on NAFO requirements for chartering and transferring NAFO allocations, contact Patrick Moran (see **ADDRESSES**).

Fishing in the NAFO Regulatory Area

U.S. applicant vessels must be in possession of, or obtain, a valid HSFCA permit, which is available from the NMFS Greater Atlantic Regional Fisheries Office. All permitted vessels must comply with any conditions of this permit and all applicable provisions of the Convention on Future Multilateral Cooperation in the Northwest Atlantic Fisheries and the CEM. We reserve the right to impose additional permit conditions that ensure compliance with the NAFO Convention and the CEM, the

Magnuson-Stevens Fishery Conservation and Management Act and any other applicable law.

The CEM provisions include, but are not limited to:

- Maintaining a fishing logbook with NAFO-designated entries (Annex II.A and Article 28);
- Adhering to NAFO hail system requirements (Annexes II.D and II.F; Article 28; Article 30 part B);
- Carrying an approved onboard observer for each trip consistent with requirements of Article 30 part A;
- Maintaining and using a functioning, autonomous vessel monitoring system authorized by issuance of the HSFCA permit as required by Articles 29 and 30; and
- Complying with all relevant NAFO CEM requirements, including minimum fish sizes, gear, bycatch retention, and per-tow move on provisions for exceeding bycatch limits in any one haul/set.

Further details regarding U.S. and NAFO requirements are available from the NMFS Greater Atlantic Regional Fisheries Office, and can also be found in the 2018 NAFO CEM on the Internet (<https://www.nafo.int/Fisheries/Conservation>).

Vessels issued valid HSFCA permits under 50 CFR part 300 are exempt from certain domestic fisheries regulations governing fisheries in the Northeast United States found in 50 CFR 648. Specifically, vessels are exempt from the Northeast multispecies and monkfish permit, mesh size, effort-control, and possession limit restrictions (§§ 648.4, 648.80, 648.82, 648.86, 648.87, 648.91, 648.92, and 648.94), while transiting the

U.S. exclusive economic zone with multispecies and/or monkfish on board the vessel, or landing multispecies and/or monkfish in U.S. ports that were caught while fishing in the NAFO Regulatory Area. These exemptions are conditional on the following requirements: The vessel operator has a letter of authorization issued by the Regional Administrator on board the vessel; for the duration of the trip, the vessel fishes, except for transiting purposes, exclusively in the NAFO Regulatory Area and does not harvest fish in, or possess fish harvested in, or from, the U.S. EEZ; when transiting the U.S. EEZ, all gear is properly stowed and not available for immediate use as defined under § 648.2; and the vessel operator complies with the provisions, conditions, and restrictions specified on the HSFCA permit and all NAFO CEM while fishing in the NAFO Regulatory Area.

Dated: December 6, 2017.

John H. Henderschedt,

Director,

NOAA Fisheries Office of International Affairs and Seafood Inspection.

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