

New England Fishery Management Council

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MEETING SUMMARY

SMALL MESH MULTISPECIES COMMITTEE June 20, 2016

Holiday Inn by the Bay 88 Spring Street Portland, ME

The Small-Mesh Multispecies (Whiting) Committee met on June 20, 2016 in Portland ME to review an initial fleet history analysis and discuss policy questions raised by the PDT as they relate to developing limited access qualification criteria alternatives. The Committee also heard a brief presentation by Council staff on behalf of the Law Enforcement Division, who was soliciting feedback on enforcement and monitoring of the whiting fishery.

Discussion of the MA Division of Marine Fisheries Experimental Fisheries activities and a proposed increase in the 40,000 lbs. whiting possession limit to 50,000 lbs. through a future action occurred under "Other Business". Mr. Balzano chaired most of the meeting because the committee chairman had an unavoidable schedule conflict in the morning. The committee rearranged the agenda during the meeting to take up Amendment 22 issues first (postponing the law enforcement priorities discussion) to accommodate some committee members who needed to leave the meeting early. The committee worked through lunch and the meeting concluded in the early afternoon.

MEETING ATTENDANCE:

Mark Gibson (Chairman), Vincent Balzano (Vice Chair), Mark Alexander, Frank Blount, Ellen Goethel, Peter Kendall, Dr. Matt McKenzie, Eric Reid, Mike Ruccio, and Laurie Nolan (committee members); Andrew Applegate and Lou Goodreau (NEFMC staff); Peter Burns (NMFS GARFO staff); John Almeida (NOAA General Counsel), and Tom Testeverde (Whiting advisor). About 3 members of the public attended, including: Katie Almeida, Maggie Raymond, and Megan Lapp.

Meeting documents were posted at the following location: http://www.nefmc.org/calendar/jun.-20-2016-whiting-committee-meeting-1.

KEY OUTCOMES:

- After discussion, the committee recommended that the Council continue development of limited access alternatives in Amendment 22 to achieve the purpose and need. To accommodate concerns about new fishermen being unable to enter the fishery, the committee tasked the PDT with developing a "last-in/first-out" option.
- Responding to requests from industry, the committee voted to recommend that the Council consider a future action to increase the 40,000 lbs. whiting possession limit to 50,000 lbs. in December to April in the southern fishery management area.
- The committee provided feedback on existing law enforcement priorities.

AGENDA ITEM #1: AMENDMENT 22 LIMITED ACCESS DEVELOPMENT OF ALTERNATIVES

Presentation: Mr. Applegate summarized the scoping comments (http://s3.amazonaws.com/nefmc.org/4A.-Amendment-22-scoping-hearing-results.pdf) that were relevant to the committee discussion. He also summarized a June 14, 2016 memo (http://s3.amazonaws.com/nefmc.org/3 PDT-Advice-about-Potential-Amendment-22-Limited-Access-Alternatives.pdf) from the Whiting Plan Development Team (PDT), that outlined the pros, cons, and factors to consider on the development of limited access program alternatives to address the purpose and need¹.

As a review, the committee was debriefed about trends in landings and effort, as well as 2013 and 2014 catches by stock. Both data summaries were in the scoping document which was published for scoping hearings in December 2015 and January 2016. Catches for fishing year 2015 will be estimated and compared with the annual catch limits (ACLs) in the Annual Monitoring Report to be completed in September. The summary presentation included a short history of two previous Council attempts to develop a small-mesh multispecies limited access program and the purpose and need statement that the Council approved for Amendment 22. Mr. Applegate reported that the oral and written scoping comments were pretty evenly divided amongst the following four categories:

- Active, full-time whiting fishermen
- Less active whiting fishermen
- Previously active whiting fishermen
- Others opposed to limited access as a means to address choke species issues.

¹ Scoping hearing document purposed and need statement: ""The purpose of this action is to implement measures that would prevent unrestrained increases in fishing effort by new entrants to the fishery. The need for the amendment is to reduce the potential for a rapid escalation of the small-mesh multispecies fishery, possibly causing overfishing and having a negative effect on red hake and whiting markets, both outcomes having negative effects on fishery participants.

The amendment will help ensure that catches of the small-mesh multispecies and other non-target species will be at or below specifications, reducing the potential for causing accountability measures to be triggered and resulting closure of the directed fishery." Amendment 22 Scoping Document: http://www.nefmc.org/library/amendment-22.

As PDT chair, Mr. Applegate referred to a March 25, 2016 memo that was presented to the committee on April 5th. The PDT memo expressed concerns that a limited access program alone, particularly one with liberal (i.e. low) qualification criteria, would be deemed ineffective in meeting the Council's purpose and need statement. The PDT recommended adding some additional measures to the alternatives that would more directly address bycatch and non-target species catch levels to prevent them from exceeding sub-ACLs.

In its June 14, 2016 memo, the PDT outlined various factors to consider against and in favor of developing limited access alternatives to address the purpose and need. The PDT recognized that there are many good reasons why a limited access program is an important fishery management tool, but it comes with some cost to industry and government. A related important issue is that we really don't have a very good handle on what long-term sustainable yield is, particularly with new climate-driven oceanic conditions. In the future, the ACLs could be considerably lower (or higher) than current estimated values. The PDT pointed out that the cost of a limited access program should be weighed against the need to take a precautionary, proactive approach to manage small-mesh multispecies fishery effort.

1. MOTION: Dr. McKenzie / Mrs. Goethel

That the Committee recommends that the Council continue development of limited access provisions in Amendment 22.

Discussion on the Motion: Mr. Ruccio said that NMFS can support going developing Amendment 22 limited access alternatives and the agency has not taken a stance on the matter, one way or the other. He thought that limited access alternatives and qualification could get too complicated, separating out qualifiers by trip landings categories. He thought the main thrust of the amendment should focus on preserving the status quo fishery, focusing on preventing overcapitalization. The discussions about the skate fishery could help, he thought.

Dr. McKenzie said that limited access does not need to be restrictive, but it would put in place a proactive series of measures to prevent problems that have occurred in other northeast region fisheries. He therefore supported moving ahead with development of limited access alternatives.

Mr. Reid pointed out that landings and fishing effort are much lower now than they had been, constrained by regulations and economic return. The whiting market is a fresh fish market only and it is highly uncertain that there would be a race to fish if and when catches approach ACLs. He added that a limited access program will not prevent bycatch issues and for these reasons was opposed to developing a limited access program.

Mr. Testeverde, an advisor, spoke in favor of developing limited access alternatives, using the existing control date. He thought that requiring a raised footrope trawl in all exemption areas would more directly address the purpose and need. It is required now in the Small Mesh and Raised Footrope Exemption areas, but not in the Cultivator Shoals or the Mid-Atlantic Exemption Areas.

MOTION #1 The motion carried 6-1-1.

AGENDA ITEM #2: LIMITED ACCESS QUALIFICATION CRITERIA OPTIONS AND FLEET HISTORY ANALYSIS

Presentation: Mr. Goodreau and Mr. Applegate gave a summary of small-mesh multispecies fleet history analyses, broken out in the three time periods and categories that the Committee requested at the last meeting. Permit histories were keyed to the Moratorium Right Ids when they exist for a permit to track history accurately. Also, the "Revision 2" analysis used the Vessel Trip Report (VTR) data to identify and count trips according to the three landings categories (<7500, <3500, and <2000 lbs.). Although the best source of landings data for each permit history and time period (2000-2012, 2003-2012, and 2008-2012) were compiled, the VTR data were more reliable to identify a 'trip'. Often dealer data report landings on multiple or partial trips for a vessel, particularly in the small-mesh multispecies fishery. To evaluate potential economic characteristics and effect, price data were assigned to the VTR reported landings in a three-step procedure. Prices were assigned directly from matching dealer data for reports having the same permit and VTR serial number as the VTR trip. That matched about 2/3rds to 3/4ths of the trip, depending on the year. For the unmatched trips, average prices were assigned on the basis of the landing year and month, gear, state, and species (not accounting for market category). For the VTR trips that had no matching data at that level, prices were assigned based on landing year, month, and species.

Mr. Goodreau explained that the longer two periods added more permit histories and more total whiting landings, consistent with the number of years. For the shortest time period (2008-2012), there were 1,468 permit histories with one or more pound of total hake² landings which landed a total of 120 million pounds. Of these, there were 122 permit histories that had one or more trips with over 7,500 lbs. of whiting landings (group 1) and in total landed 102 million pounds of hakes. About 28% of their annual landings from all trips (whether or not landing hakes on trips) came from hake landings. Seventy-five (75) more permit histories had one or more trips with between 3,500 and 7,499 lbs. of whiting landings (group 2). These permit histories landed 9.4 million pounds of hakes and derived about 24% of their fishery income from hakes. A third group of 55 permit histories made one or more trips landing between 2,000 and 3,500 lbs. of whiting (group 3). These vessels derived only 9% of their fishery income from hakes, but the percent on an individual trip or for an individual permit history can be considerably higher. Further details about this analysis can be obtained at:

 $\underline{http://s3.amazonaws.com/nefmc.org/2_Analyses-of-Small-Mesh-Multispecies-Fleet-History.pdf.}$

For the 10-year time period, 2003-2012, there were 2,011 permit histories landing 195 million pounds of hakes. Of these, 199 were in group 1, 108 in group 2, and 70 in group 3. The numbers were of course similar for the 13-year period, 2000-2012 with 2,558 permit histories landings 282 million pounds of hakes: 269 in group 1, 128 in group 2, and 96 in group 3.

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² "Hake" landings include red, silver, and offshore hakes, a shorthand term for "small-mesh multispecies".

[&]quot;Whiting" landings only include silver and offshore hakes.

Mr. Applegate added that the next step before meeting with advisors to sort through the results and discuss qualification criteria options would be to evaluate how many of these permit histories fished for whiting in recent years, 2014-2015 and how many non-qualifying vessels (at a total landings threshold to be determined) were targeting hakes. He showed an example using Revision 1 data that the characteristics and activity of vessels could be determined by setting an average annual landings threshold, that would apply to any length time period. This analysis needed more work before it could be used, but when it is ready Mr. Applegate thought that it would be productive to have a joint PDT and Advisory Panel meeting.

2. MOTION: Mrs. Goethel /Mr. Kendall

To task the PDT to analyze a "Last in, first out" limited access approach:

Options: Similar to the Canadian model of last in, first out in a developing fishery; to allow for increased participation in the fishery during times of high abundance and also to allow for decrease in fishing effort by removing the last entrants into the fishery temporarily when the fishery has reached the TAC or triggered and AM...

Discussion on the Motion: Mrs. Goethel suggested that a new approach being used in Canadian fisheries would allow more flexibility in a system that modulated fishing effort based on fishery performance and ACLs derived from stock assessment. Vessels that entered the fishery after the control date would be permitted to fish for small-mesh multispecies as long as the catches were not reaching the ACLs. She said that it would incentivize clean fishing behavior, a benefit of the limited access program. She added that such an approach would address the concern that some new fishermen would never be able to obtain a limited access permit.

Mrs. Nolan said she would prefer an incidental permit category which is open-access, available to everyone, with a small-mesh multispecies possession limit that could be adjusted up or down depending on biological conditions and fishery performance.

Mr. Reid said that he had doubts about incentivizing a clean fishery, because vessels that remained in the fisher (i.e. first in vessels) would have an incentive to ensure that the fishery triggered accountability measures (AMs) to force out competition.

Mrs. Raymond agreed and thought that there would be problems with non-qualifying vessels investing capital in the fishery and then being forced out later when and if stock biomass declined. She also added that the current possession limits are unnecessary since only a fraction of the ACLs are currently being caught and landed. She thought that the Council should focus on creating jobs and employment in a controlled way as long as there was excess fish available. Mrs. Raymond pointed out that the performance of the Cultivator Shoals Area should be reviewed annually, but it has never been done. She was concerned about increasing haddock bycatch, which wasn't being monitored and there was no Letter of Authorization requirement, so we did not know when vessels fished for small-mesh multispecies in the Cultivator Shoals Area. Mr. Testaverde pointed out that most vessels have VMS equipment and report fishing location on the VTRs.

MOTION #2 The motion carried 7-1-0.

AGENDA ITEM #3: LAW ENFORCEMENT PRIORITIES

Mr. Goodreau summarized the existing law enforcement priorities and comments made by other NEFMC committees. He said that comments made by the Small-Mesh Multispecies Committee would be folded into the draft document to be discussed at the Council meeting on the next day.

The Committee discussed the Office of Law Enforcement (OLE) Northeast Priorities. After reviewing the priorities and the comments from other committees, the Whiting Committee consensus was to agree with the comments made by the other committees and, with respect to whiting management, that the Priorities were appropriate as is.

AGENDA ITEM #4:OTHER BUSINESS

3. MOTION: Mrs. Nolan/Mr. Blount

That the Council consider initiating a framework adjustment to increase the whiting possession limit in the Southern Fishery Management Area from 40,000 to 50,000 lbs. during December 1 to April 30.

Discussion on the Motion: Some members of industry would like to see the Council raise the whiting possession limit to allow the fishery to increase landings. A small fraction of the Annual Catch Limit (ACL) is being caught in both the northern and southern management areas, although red hake catches (often caught when fishing for whiting) have exceeded or are approaching its ACL.

The committee discussed whether this potential action would be handled and whether it could be considered in a specifications document or it would require a framework adjustment. Mr. Applegate thought that it could be done in a specifications document³. He added that the Council was scheduled to begin developing a new specifications document in 2017 for approval in November. Measures in the specifications document would be implemented in May 2018.

Mr. Testaverde spoke against increasing the current possession limit. He thought that they were suitable and working well for existing fishery participants.

The committee decided to recommend that the Council consider taking action and how it would be done could be discussed at the Council meeting.

MOTION #3 The motion carried 4-3-2.

Mr. Applegate reported on the PDT work to develop an Annual Monitoring Report (AMR) for fishing year 2015. This report is scheduled for presentation at the September Council meeting and advises the Council on whiting and red hake catches. If exceeding the Annual Catch Limit (ACL), it could trigger Accountability Measures (AMs) and the Council could take additional

³ After this meeting, it was determined that NMFS approved the adjustment of northern red hake possession limits in the 2015-2017 specifications document.

action to mitigate the effects or take other corrective action. Mr. Applegate said that data become available in early summer to prepare the report and a PDT meeting would be scheduled in late July to early August to evaluate the results.

Mr. Alexander asked whether monitoring of the Cultivator Shoals Area performance would be included in the AMR. Mr. Applegate replied that it would to the extent that data allow, but estimating catches for a specific exemption area gives imprecise results because there are often insufficient at sea sampled taken at that local scale. He added that bycatch estimates and trends would be included in the report, but only through 2014 because the groundfish catch estimates by gear and fishery are not produced until October, after the AMR is presented.

The Small-Mesh Multispecies Committee meeting adjourned at approximately 3:00 p.m.