Industry-Funded Monitoring Omnibus Amendment

Public Hearing Webinar

By Carrie Nordeen

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Why is Industry-Funded Monitoring Being Considered?

- New England and Mid-Atlantic Councils are interested in increasing catch monitoring
- Federal funding for monitoring is limited
- Allow industry funding to be used to increase monitoring above current levels
- Allows available Federal funding to be used for monitoring

What is the Purpose of this Amendment?

- Allow Councils to implement new IFM programs with available Federal funding
- Allow Councils and NMFS to prioritize available Federal funding among IFM programs
- Specify IFM coverage *targets* for Atlantic herring and Atlantic mackerel fisheries
- Allow NMFS to approve new IFM programs

Key results if adopted

This amendment would…

- Establish a standardized structure for new industry-funded programs

This amendment would not…

- Impact existing industry-funded programs, including groundfish and scallop programs

How Do I Comment on this Amendment?

- Comments must be submitted by November 7
- Comments can be submitted electronically or by mail
- Comments can also be submitted during a public hearing
  - October 20 - 6 to 8 p.m. in Portland, ME
  - October 27 - 5 to 7 p.m. in Cape May, NJ
  - November 1 - 6 to 8 p.m. in Narragansett, RI

Amendment Timeline

Dates	Action
January-February 2016	NEFMC and MAFMC selected preliminary preferred omnibus alternatives
June 2016	MAFMC and NEFMC approved Draft EA for public comment
September- November 2016	45-day public comment period on Draft Amendment and EA and public hearings
December 2016	MAFMC considers taking final action
January 2017	NEFMC considers taking final action
February –July 2017	EA finalized and proposed and final rulemaking
August 2017	Final rule publishes
January 2018	Amendment implemented

OMNIBUS ALTERNATIVES

Which Alternatives Apply to all FMPS?

- Omnibus Alternative 1: No Standardized IFM Programs (No action)
- Omnibus Alternative 2: Standardized IFM Programs
  - Standardize cost responsibilities
  - Framework adjustment process for IFM programs
  - Standardized IFM service provider requirements
  - Prioritization process
  - Option for Monitoring Set-Aside

Omnibus Alternative 2: Standardized Cost Responsibilities

NMFS (Administrative) Costs	Industry (Sampling) Costs
Facilities and labor for training and debriefing	Program management and provider overhead
NMFS-issued gear	Salary and per diem for training and debriefing
Certification	Equipment
Vessel selection	Deployments and sampling
Data processing	All other costs
Compliance and safety liaison	

Omnibus Alternative 2: Prioritization Process

Alternatives	Description
Alternative 2.1: NMFS-Led	NMFS develops process and consults with the Councils
Alternative 2.2: Council-Led *(Preferred Alternative)*	**Councils develop process and consult with NMFS**
Alternative 2.3: Proportional	Allocate funding equally across new IFM programs
Alternative 2.4: Lowest Coverage Ratio	Allocate funding to IFM programs with low coverage needs and active fleets
Alternative 2.5: Highest Coverage Ratio	Allocate funding to IFM programs with high coverage needs and less active fleets

Omnibus Alternative 2.6: Monitoring Set-Aside

- Allows FMPs to establish a monitoring set-aside via framework adjustment
- For example:
  - Set aside percent of ACL
  - If a vessel is selected for monitoring, then vessel may harvest a certain amount above the possession limit
  - Revenue from sale of extra fish helps offset cost of monitoring
- This amendment does not implement monitoring set-asides for individual FMPs

Impacts of Omnibus Alternatives

Alternatives	Biological Impacts	Economic Impacts
Alternative 1: No Action	Low Negative	Low Negative
Alternative 2: Action Alternative	Low Positive	Low Positive
Alternatives 2.1 – 2.5: Prioritization Processes	Low Positive	Low Positive
Alternative 2.6: Monitoring Set-Aside	Negligible	Negligible

HERRING ALTERNATIVES

Goals of Industry-Funded Monitoring

Increased monitoring in the herring fishery should address the following goals:

- Accurate estimates of catch (retained and discarded),
- Accurate catch estimates for incidental species for which catch caps apply, and
- Affordable monitoring for the herring fishery.

Comparison of IFM Types

	NEFOP-Level Observer	At-Sea Monitor (ASM)	Electronic Monitoring (EM)	Portside Sampling
Retained Catch	Fishing Effort and Species Composition Data	Fishing Effort and Species Composition Data	Verify Retention of Catch	Species Composition Data
Discarded Catch	Fishing Effort and Species Composition Data	Fishing Effort and Species Composition Data	Frequency of Discarding Events	None
Biological Sampling	Age and Length Data	Length Data	None	Age and Length Data

Herring Alternatives

Herring Alternative 1 (No Action)

Herring Alternative 2 (IFM Coverage Targets)

- Sub- Option 1: Waiver allowed if IFM coverage is not available
- Sub-Option 2: Wing vessel exempt from IFM requirements
- Sub-Option 3: IFM requirements sunset in two years
- Sub-Option 4: IFM requirements are re-evaluated in two years
- Sub-Option 5: IFM requirements only apply on trips that land more than 25 mt of herring

Herring Alternative 2	MWT	Purse Seine	SMBT
Herring Alternative 2.1: 100% NEFOP-Level Coverage on Category A and B Vessels	100% NEFOP-Level Observer		
Herring Alternative 2.2: ASM Coverage on Category A and B Vessels	25%, 50%, 75% or 100% ASM		
Herring Alternative 2.3: Combination Coverage on Category A and B Vessels and Midwater Trawl Fleet	50% or 100% EM/Portside	25%, 50%, 75% or 100% ASM	
Herring Alternative 2.4: EM and Portside Coverage on Midwater Trawl Fleet	50% or 100% EM/Portside	SBRM (No Action)	
Herring Alternative 2.5: 100% NEFOP-Level Coverage on Midwater Trawl Fleet in Groundfish Closed Areas*	100% NEFOP-Level Coverage	SBRM (No Action)	
Herring Alternative 2.6: Combination Coverage on Midwater Trawl Fleet in Groundfish Closed Areas	Coverage would match 2.1-2.4 or 2.7	SBRM (No Action)	
Herring Alternative 2.7: ASM Coverage on Category A and B Vessels, then Vessels may choose either ASM or EM/Portside Coverage	25%, 50%, 75% or 100% ASM or EM/Portside	25%, 50%, 75% or 100% ASM or EM/Portside	25%, 50%, 75% or 100% ASM or EM/Portside

Herring Alternatives 2.1 – 2.7

- Differ by type of data collected
- Differ by how coverage is allocated
- Differ by amount of coverage

Biological Impacts of Herring Alternatives

- Herring Alternative 1 – Low Positive
- Herring Alternative 2 – Low Positive
  - Data on retained and discarded catch – Positive
  - Data collected on retained catch – Low Positive
  - Coverage allocated by fleet – Positive
  - Coverage allocated by permit – Low Positive
  - Coverage targets above 50% - Positive
  - Coverage targets between 25% and 50% - Low Positive
  - Coverage only in GF Closed Areas – Low Positive
  - Not Selecting Sub-Option 1 – Positive
  - Selecting Sub-Option 5 – Low Negative

Industry Cost Responsibilities

- NEFOP-Level Observer Coverage = $818 per sea day
- ASM = $710 per sea day
- EM = $172 - $325 per sea day *(plus estimated $15,000 in startup costs during Year 1)*
- Portside Sampling = $3.84 - $5.12 per mt

Summary of Median Potential Reduction in RTO From Monitoring Costs

- Herring Alternative 2.1 – 44.7% to 5.8%
- Herring Alternative 2.2 – 38.9% to 1.4%
- Herring Alternative 2.3 – 38.5% to 1.4%
- Herring Alternative 2.4 – 29.1% to 2.4%
- Herring Alternative 2.5 – 5.4% to 1.0%
- Herring Alternative 2.6 – Same as 2.1 to 2.4 and 2.7
- Herring Alternative 2.7 – 42.3% to 0.8%

Conclusions of Economic Analysis

- Paired MWT vessels have highest monitoring costs as a percentage of RTO because of more sea days
- Revenue sources differ across gear types, 50% of SMBT revenue is from other fisheries
- Exempting trips that catch < 25 mt of herring reduces monitoring costs
- EM/Portside coverage is generally less expensive than comparable levels of ASM coverage, but not during Year 1 with startup costs for EM equipment
- Herring Alternative 2.7 may reduce some of the economic impact by allowing vessels to choose ASM or EM/Portside coverage

Alternatives	Herring Resource	Non-Target Species	Protected Species	Physical Environment	Fishery-Related Businesses and Communities
Herring Alternative 1	Low Positive	Low Positive	Low Positive	Negligible	Low Positive
Herring Alternative 2	Low Positive	Low Positive	Low Positive	Negligible	Negative
Herring Alternative 2.1	Low Positive	Low Positive	Low Positive	Negligible	Negative
Herring Alternative 2.2	Low Positive	Low Positive	Low Positive	Negligible	Negative
Herring Alternative 2.3	Low Positive	Low Positive	Low Positive	Negligible	Negative
Herring Alternative 2.4	Low Positive	Low Positive	Low Positive	Negligible	Negative
Herring Alternative 2.5	Low Positive	Low Positive	Low Positive	Negligible	Negative
Herring Alternative 2.6	Low Positive	Low Positive	Low Positive	Negligible	Negative
Herring Alternative 2.7	Low Positive	Low Positive	Low Positive	Negligible	Negative

MACKEREL ALTERNATIVES

Goals of Industry-Funded Monitoring

Increased monitoring in the mackerel fishery should address the following goals:

- Accurate estimates of catch (retained and discarded),
- Accurate catch estimates for incidental species for which catch caps apply, and
- Effective and affordable monitoring for the mackerel fishery.

Mackerel Alternatives

Gear Type	MWT	SMBT	SMBT	SMBT
Permit Categories	All Tiers	Tier 1	Tier 2	Tier 3
Mackerel Alternative 1:	SBRM			
Mackerel Alternative 2:	Includes Sub-Options: 1) Waiver Allowed, 2) Wing Vessel Exemption, 3) 2 Year Sunset, 4) 2 Year Re-evaluation, and 5) 25 mt Threshold			
Mackerel Alternative 2.1:	100% NEFOP		50% NEFOP	25% NEFOP
Mackerel Alternative 2.2:	25%-100% ASM		SBRM (No Action)	
Mackerel Alternative 2.3:	50% or 100% EM/PS	25%-100% ASM	SBRM (No Action)	
Mackerel Alternative 2.4:	50% or 100% EM/PS	SBRM (No Action)		
Mackerel Alternative 2.5:	25%-100% ASM or EM/PT	SBRM (No Action)		

Mackerel Alternatives 2.1 – 2.5

- Differ by type of data collected
- Differ by how coverage is allocated
- Differ by amount of coverage

Biological Impacts of Mackerel Coverage Target Alternatives

- Mackerel Alternative 1 – Low Positive
- Mackerel Alternative 2 – Low Positive
  - Data on retained and discarded catch – Positive
  - Data collected on retained catch – Low positive
  - Coverage allocated by fleet – Positive
  - Coverage allocated by permit – Low Positive
  - Not Selecting Sub-Option 1 – Positive
  - Selecting Sub-Option 5 – Low Negative

Summary of Median Potential Reduction in RTO From Monitoring Costs

- Mackerel Alternative 2.1 – 11.9% to 4.3%
- Mackerel Alternative 2.2 – 10.3% to 1.4%
- Mackerel Alternative 2.3 – 35.1% to 1.4%
- Mackerel Alternative 2.4 – 35.1% to 1.6%
- Mackerel Alternative 2.5 – 10.7% to 0.6%

Conclusions of Economic Analysis

- Single MWT and Tier 1 SMBT vessels have highest monitoring costs as a percentage of RTO
- Mackerel revenue comprises only a portion of total revenue for vessels participating in the mackerel fishery
- Exempting trips that catch < 25 mt of mackerel reduces monitoring costs
- EM/Portside coverage is generally less expensive than comparable levels of ASM coverage, but not during Year 1 with startup costs for EM equipment
- Mackerel Alternative 2.5 may reduce some of the economic impact by allowing midwater trawl vessels to choose ASM or EM/Portside coverage

Impacts of Mackerel Alternatives

Alternatives	Mackerel Resource	Non-Target Species	Protected Species	Physical Environment	Fishery-Related Businesses and Communities
Mackerel Alternative 1	Low Positive	Low Positive	Low Positive	Negligible	Low Positive
Mackerel Alternative 2	Low Positive	Low Positive	Low Positive	Negligible	Negative
Mackerel Alternative 2.1	Low Positive	Low Positive	Low Positive	Negligible	Negative
Mackerel Alternative 2.2	Low Positive	Low Positive	Low Positive	Negligible	Negative
Mackerel Alternative 2.3	Low Positive	Low Positive	Low Positive	Negligible	Negative
Mackerel Alternative 2.4	Low Positive	Low Positive	Low Positive	Negligible	Negative
Mackerel Alternative 2.5	Low Positive	Low Positive	Low Positive	Negligible	Negative