

APPENDIX I

Options for Harvesting the Northern Gulf of Maine Annual Projected Landings (Limited Access and LAGC IFQ Allocations)

August 13, 2021

Options for Harvesting the NGOM Annual Projected Landings

The Council selected Alternative 2 Option 5 as the preferred sharing arrangement for the NGOM Management area (see Section 4.2.2.5 of Amendment 21 for full description). This alternative sets an overall total allocable landings (TAL) limit for the NGOM management area for all permit categories, which is referred to as the “NGOM Allocation”. The preferred option sets a NGOM Set-Aside trigger of 800,000 pounds – at or below this value, the NGOM Allocation would be designated for the NGOM Set-Aside, which is accessible to LAGC NGOM and LAGC IFQ vessels. For allocation over the trigger, 5% would go to the NGOM Set-Aside and 95% would go to the NGOM APL. The NGOM Annual Projected Landings (APL) would be designated for limited access (LA) and LAGC IFQ vessels.

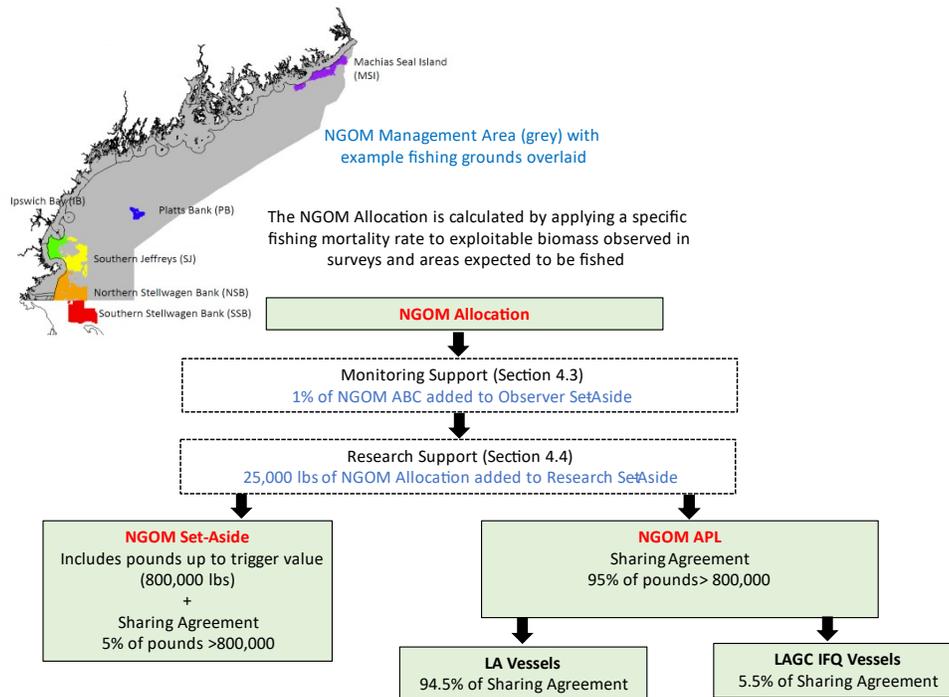
Amendment 21 does not address how the NGOM APL can be harvested; this will be decided in future specification setting processes on a case-by-case basis. **This document details ways that the Council could consider allowing harvest of the NGOM Annual Projected Landings (APL) for LA and LAGC IFQ vessels in future specifications actions.**

1. Sharing the NGOM Allocation

The Council has proposed sharing the allocation of scallops within the Northern Gulf of Maine management unit in the following way (see Figure 1):

1. Determine an annual NGOM Allocation by applying a specific fishing mortality rate to exploitable biomass observed in surveys of areas that are expected to be fished.
2. Once the NGOM Allocation is calculated, there are two deductions for monitoring and research.
 - a. Monitoring: 1% of the NGOM ABC for the observer set-aside
 - b. Research: 25,000 pounds added to the RSA (1.275-million-pound RSA total)
3. After these deductions, allocations would be made to the NGOM Set-Aside up to the trigger value of 800,000 pounds.
4. If the NGOM Allocation (minus the monitoring and research deductions) is greater than the trigger of 800,000 pounds, the allocation above the trigger would be split 5%/95% between the NGOM Set-Aside and NGOM APL, respectively.

Figure 1 - Process for sharing the NGOM Allocation as proposed by the Council (preferred alternative).



2. Options for Harvesting NGOM APL for LA and LAGC IFQ

During the development of Amendment 21, the Council noted that the share of harvest available as NGOM APL may vary on an annual basis, and that certain NGOM APL allocation levels may lend themselves to particular harvest approaches. For example, if the NGOM APL was set around three or six million pounds, the Council could consider constructing access to the NGOM area similar to how it would allocate to access areas, using vessel-level allocations for the LA component and a set number of trips to the area for the LAGC IFQ component at the IFQ possession limit. Conversely, if the NGOM APL was around 100,000 pounds in a particular year, vessel-level allocations may not be economically or logistically viable, and other approaches may be more appropriate.

Considerations for allocating the NGOM APL

- Recent Recruitment. Consider outcomes from fishing high density areas in other parts of the resource when determining how to harvest the NGOM APL, such as setting trip limits. Exceptional recruitment events have posed new management challenges. For example, the extent of non-harvest mortality in dense aggregations in small areas is not well known. Consider ways to optimize the recruitment that we have seen in the scallop fishery.
- Equity for fishery participants. Consider an approach that creates only ‘winners’ (vs lottery system where some businesses/vessels might be advantaged or disadvantaged depending on the outcome).
 - Geographic proximity of the LA and LAGC IFQ components to the NGOM area. LA and LAGC IFQ vessels are homeported throughout New England, the Mid-Atlantic, and as far south as North Carolina. There could be considerable steam-time associated with fishing in the NGOM management area for vessels based in southern homeports. Conversely, given the proximity of the NGOM to many New England ports, there may be

substantial interest in fishing this area from northern vessels. However, vessels already travel extensively throughout the region when fishing access area or open trips.

- Allocation structure of the LA component. LA allocations are based on permit category, and each vessel within a permit category receives the same allocation. There are over 350 active LA vessels that hold full-time and part-time permits. May consider flexibility for certain permit categories, depending on allocations in other parts of the fishery.

LA Allocation Options:

- Make the LA Share available for RSA compensation fishing when the LA share of the NGOM APL is small (Approach used in FW29, FW30, FW32). This would not be in addition to the pounds that will be added to the overall Scallop Research Set-Aside from the NGOM Allocation, but rather would allow vessels to do more compensation fishing in the NGOM vs. fishing other parts of the resource.
- Convert LA Share of NGOM APL into LAGC IFQ trips to the NGOM, increase LA DAS for Georges Bank and the Mid-Atlantic. In this scenario, all LA vessels would receive additional DAS to be fished on GB or in the MA open areas based on their share of the NGOM APL (94.5%). The LA component would not have access to the NGOM area for directed fishing (RSA compensation fishing would still be allowed). For the LAGC IFQ component, vessel level quota allocations would be increased by the total amount of NGOM APL that is allocated. The number of allocated trips for the LAGC IFQ component would be set using the total NGOM APL (both the LA and LAGC IFQ shares), and dividing by the LAGC IFQ trip limit. The expectation is that LAGC IFQ vessels would utilize the allocated trips to the NGOM, and land the entire NGOM APL, while the LA component would be allocated the equivalent of its NGOM allocation as DAS that could be fished on Georges Bank and in the Mid-Atlantic. The goal would be to ensure that the LA and LAGC IFQ components have an opportunity to harvest the additional allocation from the NGOM APL without increasing F in other parts of the resource.
- Vessel level allocations to the NGOM. LA vessels would receive an allocation to the NGOM. The Council could allow for exchanges of this allocation with other vessels for access area allocations on Georges Bank or in the Mid-Atlantic. The Council could also allow vessel level allocations to the NGOM to be exchanged for DAS that could be fished in other parts of the resource (new approach for exchanges that would need development). The Council could consider a wide range of vessel level allocations that work with other allocations in the fishery that year (e.g., access area trip limits) and(or) allowing allocation exchanges in lower denominations (as done in Framework 32 and Framework 33).
 - Allocate trips (set poundage) to each LA vessel to be fished in NGOM. Options could be:
 - Equal allocation to all vessels by permit category.
 - Lottery system using two areas (NGOM & TBD) with higher trip limits/allocations than could be awarded through an equal allocation approach to all LA vessels.
 - EXAMPLE: 1,000,000/all FT permits vs. 1,000,000/18,000 pound trips that would be lottery eligible.
 - Consider flexibility for part-time permit holders – option to fish NGOM vs. taking trips in other access areas or requiring PT vessels to take access area trips in areas that are further offshore, such as Closed Area II.
- Enable allocation choices – There are several ways that the Council could use DAS and vessel level allocations to facilitate access to the LA share of the NGOM APL. The Council has used exchanges in the past to give vessels flexibility. In FY 2014 (through Framework 25), vessels

could choose fish the Delmarva access area or receive 5 DAS (flex options). If vessels did not make an access area declaration into Delmarva, they received 5 DAS. A DAS exchange program could be administered by providing additional DAS for all LA vessels, and allowing vessels to either make NGOM trips or receive DAS. Given different LPUEs in the fishery, there could be a need to tailor this approach by permit type. In general, the Council could consider the average LPUE for the fishery, then divide the LA share of the NGOM APL by this number to calculate the DAS exchange.

- If the NGOM APL is very low, consider leaving in the water for next year. This option would likely reduce the realized F for the resource in the management unit but would not add allocations to the LA or the LAGC IFQ.

General Considerations:

- Keep options flexible. Industry should be able to provide input to the Council on how to fish the area.
- Only harvest strategies that ensure that catch remains within catch limits and landings are fully accounted for should be pursued. For example, the Council and NMFS cannot allocate the LA component DAS and expect to precisely manage removals from the area, because LPUE may be above or below the average, or because allocations are relatively small compared to the rest of the fishery. The final census of removals will not be known until after the area closes. The Council should consider using dedicated trips to the NGOM for the LA and LAGC IFQ to precisely manage allocations and removals.
- Consider lessons from options that have been used in past specifications actions:
 - Framework 25: DAS exchange for access area trip to the Delmarva access area.
 - Framework 30: Ability to fish an allocation between two access areas.
 - Framework 32: Same flexibility of FW30, with added ability to exchange access allocations in 9,000-pound increments.
- Have a plan for how the area will be fished before the start of the season vs. having fishing unfold with uncertainty.