Amendment 18 Draft Environmental Impact Statement

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NEFMC mtg
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New England
Fishery Management Council

Purpose of Discussion

1. Select Preferred Alternatives
2. Approve the Draft Environmental Impact Statement

Presentation Outline

- Purpose and Need, Goals
- Timeline
- Background, Alternatives, Draft Impacts, Input
  - 1. Accumulation Limits
  - 2. Handgear A Permit Measures
  - 3. Data Confidentiality
  - 4. Inshore/Offshore Gulf of Maine
  - 5. Redfish Exemption Area

A18 Purpose and Need

Doc #1 p. 34-5

To address concerns related to the potential for decreased fleet diversity and increased consolidation in the fishery resulting from:

- Catch shares and currently low catch limits.
- Increases in catch limits as stocks rebuild in the future.

A18 Goals

1. Promote a diverse groundfish fishery, including different gear types, vessel sizes, ownership patterns, geographic locations, and levels of participation through sectors and permit banks;
2. Enhance sector management to effectively engage industry to achieve management goals and improve data quality;
3. Promote resilience and stability of fishing businesses by encouraging diversification, quota utilization and capital investment; and
4. To prevent any individual(s), corporation(s), or other entity(ies) from acquiring or controlling excessive shares of the fishery access privileges.

A18 Timeline

Doc #7
p. 6-7

2015	
Apr	Council approve DEIS, select preferred alternatives
Apr-Jun	Staff/PDT prep DEIS, submit to NMFS
July-Aug	Public comment period
Aug-Sept	Committee review public comments, recommend final preferred alternatives
Sept	**Council final action**
Nov	Staff/PDT prep FEIS, submit to NMFS
2016	
Jan-Feb	Public comment period.
May 1	**Possible implementation of measures**

Accumulation Limits Section 4.1

- Background
- Range of Alternatives
- Impacts Analysis
- PDT/GAP/Cte Input

What is excessive?

Doc #1
p. 43-44

A18 Goal #4:

"To prevent any individual(s), corporation(s), or other entity(ies) from acquiring or controlling excessive shares of the fishery access privileges."

National Standard 4:

"…allocation shall be…carried out in such manner that no particular individual, corporation, or other entity acquires an excessive share of such privileges."

NMFS guidance on determining "excessive" (2007):

- Identify a cap that is likely to prevent market power in the fishery, and consider that as an upper bound; then
- Consider the management objectives of the fishery that are social in nature (e.g., current and historical participation, fairness to different states, entry-level fishermen, crew, etc.), balancing NS4 and NS8.

Compass Lexecon analysis

Compass Lexecon was asked to determine if excessive shares exist in the groundfish fishery today and to recommend potential constraints that could prevent excessive shares in the future.

CL conclusions:

- No evidence of market power/excessive shares in fishery today.
- In the final product market (fish), unlikely that MP could exist.
- Caps on sector ACE or on leasing would not prevent it.
- Recommended stock-specific PSC holding caps, 15.5-25 range to address MP in the ACE lease market.

Peer review:

- Agreed with no evidence of market power in the fishery.
- The 15.5 PSC cap recommendation may reduce efficiency unnecessarily. Proposed other approaches.
- Concern about the potential for sector-level coordination.

Provisions

To whom caps would apply (Sect. 4.1.1)

To individuals, permit banks, and other entities.

Future adjustment of a cap (Sect. 4.1.2)

May be modified in a framework due to a permit buyout/buyback.

Grandfathering (Sect. 4.1.3.2)

If a PSC cap is selected, holdings as of the control date (April 7, 2011) would be grandfathered if they are above the cap.

PSC Cap Alternatives (4.1.3)

Doc #1
p. 46, 49

Alt. 1 - No action. No accumulation limit.

Alt. 2 - Stock-specific PSC cap for all stocks at highest level held on control date 4/7/11.

Alt. 3 - Stock-specific PSC cap for all stocks at a level recommended by Compass Lexecon.

Option A – Excess PSC split off and redistributed

Alt. 4 - Stock-specific PSC cap for all stocks by stock type (GOM/CC/SNE, GB, unit).

4A - Cap PSC for all stocks.

4B - Cap PSC for GB cod, GOM cod, & pollock.

Alt. 5 - Stock-specific PSC cap for all stocks at same level, except GB winter flounder.

Alt. 6 - Collective cap for all PSC holdings.

Permit Cap Alternatives (4.1.4)

Doc #1
p. 53

Alt. 1 - No action. No accumulation limit.

Alt. 2 – No individual, permit bank or entity can hold > 5% of the GF permits.

PSC Cap Alternatives:	1	2	3	4A	4B	5	6
GB cod	-	10	15.5	30	30	20	15.5 collectively
GOM cod	-	8	15.5	15	15	20	
GB haddock	-	15	15.5	30	-	20	
GOM haddock	-	7	15.5	15	-	20	
GB yellowtail flounder	-	14	15.5	30	-	20	
SNE/MA yellowtail flounder	-	5	15.5	15	-	20	
CC/GOM yellowtail flounder	-	8	15.5	15	-	20	
Plaice	-	9	15.5	20	-	20	
Witch flounder	-	9	15.5	20	-	20	
GB winter flounder	-	23	15.5	30	-	30	
GOM winter flounder	-	7	15.5	15	-	20	
Redfish	-	10	15.5	20	-	20	
White hake	-	8	15.5	20	-	20	
Pollock	-	6	15.5	20	20	20	
SNE/MA winter flounder	-	13	15.5	15	-	20	

How would excess PSC be treated?

(Sect. 4.1.3.2)

Current Holdings in Excess of what is Allowed

Option A - Can hold permits, but not use excess PSC.

Option B - Must divest permits with excess PSC.

Option C - Can hold permits, but must divest excess PSC.

Acquisition of Future Holdings

Option A - Can hold permits, but not use excess PSC.

Option B - Can hold permits, but must divest excess PSC.

Impacts - How many constrained?

Doc #1
p. 277
Table 92

PSC cap alt.	# of individuals with holdings as of the control date > limit	# of individuals with holdings as of FY 2014 > limit
1	n/a	n/a
2	n/a	4* (15 stocks)
3	1 (1 stock)	1 (3 stocks)
4A	0	1 (1 stock)
4B	0	0
5	0	0
6	0	0
	would be grandfathered	would be constrained, how depends on option selected

*Includes a private permit bank.

Impacts – Valued Ecosystem Components

Doc #1
p. 218-317

Options for Excess PSC		Human Communities		Target Sp.	Nontarget Sp.	EFH	Prot. Res.
		Impacts to those constrained	Impacts to fishery				
Current	A (hold, not use PSC)	+	o	o	o	?	o
	B (divest permits)	-	+	+ o	+ o	?	o
	C (divest PSC)	+	o	o	o	?	o
Future	A (hold, not use PSC)	+	o	o	o	?	o
	B (divest PSC)	-	o	o	o	?	o

Negative	Low Negative	Neutral	Uncertain	Low Positive	Positive

Impacts - Valued Ecosystem Components

Doc #1
p. 218-317

PSC Cap Alts.	Human Communities					All other VECS
	Currently limiting?	Reduce scale efficiency?	Prevent market power?	Impacts to those constrained	Impacts to fishery	
1	No	No	No	o +	o -	o
2	Yes	Likely	Likely	-	+ - +	o
3	Yes	Likely	Likely	-	+ - +	o
4A	Yes	Likely	Likely	o -	+ - +	o
4B	No	Likely	Likely	o +	o - +	o
5	No	Unlikely	Likely	o +	o - +	o
6	No	Unlikely	Unlikely	o +	o + -	o

Negative	Low Negative	Neutral	Uncertain	Low Positive	Positive

Impacts - Valued Ecosystem Components

Doc #1
p. 218-317

Permit Cap Alts.	Human Communities					All other VECS
	Currently limiting?	Reduce economic efficiency?	Prevent market power?	Impacts to those constrained	Impacts to fishery	
Alt. 1	No	No	No	o +	o -	o
2 (5%)	No	Unlikely	Unlikely	o -	o -	o

A permit cap may be less effective at preventing excessive shares than a PSC cap.

Negative	Low Negative	Neutral	Uncertain	Low Positive	Positive

Recommendations

Cte

- PSC cap - No Action (5/3/2)
- Permit cap - Alt. 2 (7/0/3)

GAP

- PSC cap - No Action (7/2/0) (Alt. 6 secondarily 7/2/0)
- Permit cap - No Action (7/2/0, Alt. 2 secondarily)
- Current and future holdings – Option A (hold but not use), but also wants grandfathering on day of implementation that can be transferable.

PDT

- Delete Option 3A. Overlaps/contradicts with options for excess PSC that apply to all PSC cap alternatives.
- Add rationale for why there would be different treatments of current and future excess holdings.

HA Permit Measures Section 4.2

- Range of Alternatives
- Impacts Analysis
- PDT/GAP/Cte Input

Doc #1
p. 54-60

Sect	Alternative	
Establish HA fishery (4.2.1)	1	No Action
	2	Create a HA permit sub-ACL (no trimesters, 10% carryover). Options for discard accounting, in-season & reactive AMs.
March 1-20 HA Closure (4.2.2)	1	No Action
	2	Remove March 1-20 HA closure.
Standard Fish Tote (4.2.3)	1	No Action
	2	Remove standard fish tote requirement.
Sector VMS Exemption (4.2.4)	1	No Action
	2	Exempt HA vessels in sectors from VMS use.

Impacts - Size of sub-ACL

Doc #1
p. 56, 193-8

Handgear A permit use in FY14:

- 132 valid HA permits renewed. 20 in 6 sectors, 112 in common pool.
- 29 HA permits actively fished, mostly in common pool.

HA permits are a small fraction of the total fishery:

Stock	FY15 PSC	Maximum Potential FY15 sub-ACL (mt)	% total GF sub-ACL
GOM Cod	0.0073	1.5	0.73%
GOM haddock	0.0011	1.1	0.11%
GB cod	0.0020	3.0	0.17%
GB haddock	0.0002	3.6	0.02%
Pollock	0.0021	28.9	0.21%

Unknown how many HA permits would enroll in sub-ACL.

Impacts – Valued Ecosystem Components

Doc #1
p. 218-317

Establish Fishery (4.2.1)			Human Communities		All other VECs
			HA fishery	Others	
Alt. 1			o	o	o
Alt. 2			+	-	o
Options	Discards	A (use rate)	-	+	o
		B (de minimus)	+	-	o
	In-season AMs	A (100%)	+	o	o
		B (90%)	-	-	o
	Reactive AMs	A (HA)	-	+	o
		B (HA & total)	+	-	o

- Increases flexibility and choices for HA permit holders.
- A gear-based sub-ACL could be seen as unfair or set precedent.

Positive
Low Positive
Uncertain
Neutral
Low Negative
Negative

Impacts - Valued Ecosystem Components

Sections (4.2.2 – 4.2.4)		HC	TS	NS	EFH	PR
March Closure	Alt. 1	o	o	o	o	o
	2 (remove)	+	-	-	o	o
Std. Tote	Alt. 1	o	o	o	o	o
	2 (not require)	+	o	o	o	o
Sector VMS	Alt. 1	o	o	o	o	o
	2 (not require)	+	-	-	o	o

- Could catch spawning fish.
- Tote no longer used for enforcement.
- VMS more accurately accounts for catch than IVR.

Negative	Low Negative	Neutral	Uncertain	Low Positive	Positive

HC = Human Communities TS = Target Species NS = Nontarget Species
EFH = Physical/Essential Fish Habitat PR = Protected Resources

Recommendations

Cte

- HA fishery – No Action (8/1/1)
- Closure, Tote, VMS – Alt. 2 (9/0/1)

GAP

- HA fishery – No Action (7/0/2)
- Closure, Tote, VMS – Alt. 2 (8/1/0; 7/0/2)

PDT

- Revise carryover provision as in FW 53 (≤ABCs).
- The alternative to create a sector exemption from VMS could be revised to create a universal exemption (rather than annual request).

Data Confidentiality Section 4.3

- Range of Alternatives
- Impacts Analysis
- PDT/GAP/Cte Input

Doc #1
p. 61, 218-317

Alternatives & Impacts

Alternative 1 - No action.

Alternative 2 - Price data on leasing/moving ACE would be non-confidential.

Data Confidentiality (4.3)	HC	All other VECs
Alt. 1	o	o
Alt. 2 (non-conf.)	+	o

- May make markets more transparent, get more ACE used, and improve public understanding of fishery performance.
- Could incentivize misreporting, be very difficult to enforce, be perceived as an overreach by government into private business affairs, and violate the MSFCMA.

Negative	Low Negative	Neutral	Uncertain	Low Positive	Positive

Recommendations

Cte

- No Action (5/3/2)

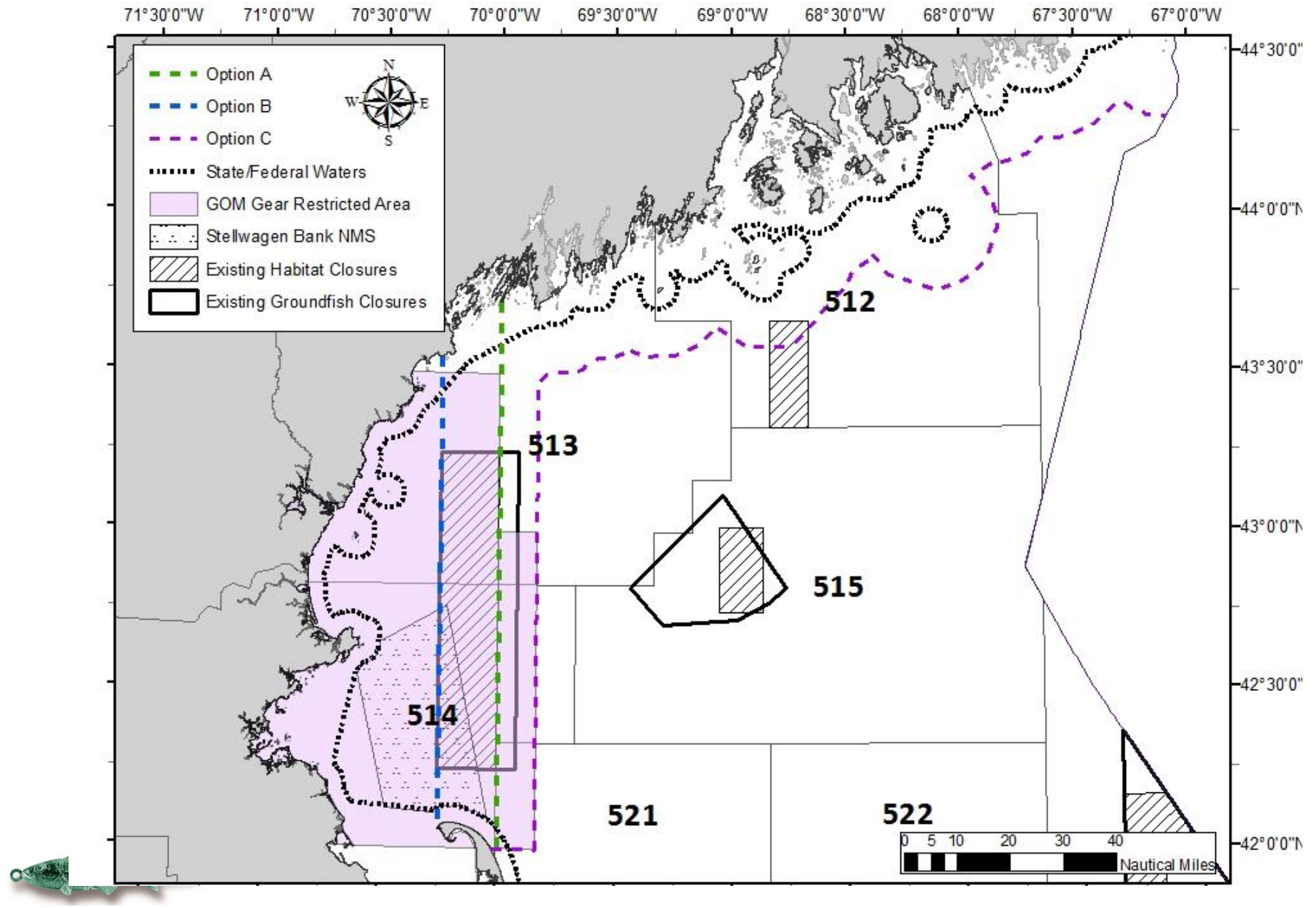
GAP

- No Action (9/0/0)

Inshore/Offshore GOM Section 4.4

- Range of Alternatives
- Impacts Analysis
- PDT/GAP/Cte Input

Alternatives – Inshore/Offshore GOM boundary



Alternatives – GOM cod sub-ACLs

Alternative 1 - No action. No new sub-ACLs.

Alternative 2 - Create commercial GOM cod sub-ACLs.

- Commercial allocation and leasing unchanged.
- Catch monitoring:
  - Observed trips - Vessels may declare into both inshore and offshore GOM areas on a given trip.
  - Unobserved trips - If vessel declares into > one BSA, the vessel cannot fish in the inshore GOM area. Similar to recent sector ops plans.

Alternatives – GOM cod sub-ACLs

Doc #1
p. 66-7

Alternative 2 cont.
Determining the inshore/offshore split

Option A - **No predetermined rule**. Set during each specifications process.

Option B - Proportional to sub-area **catch**.

sub-Option A – Last 10 years

sub-Option B – Last 20 years

Option C - Proportional to sub-area **fish distribution**.

sub-Option A – Last 10 years

sub-Option B – Last 20 years

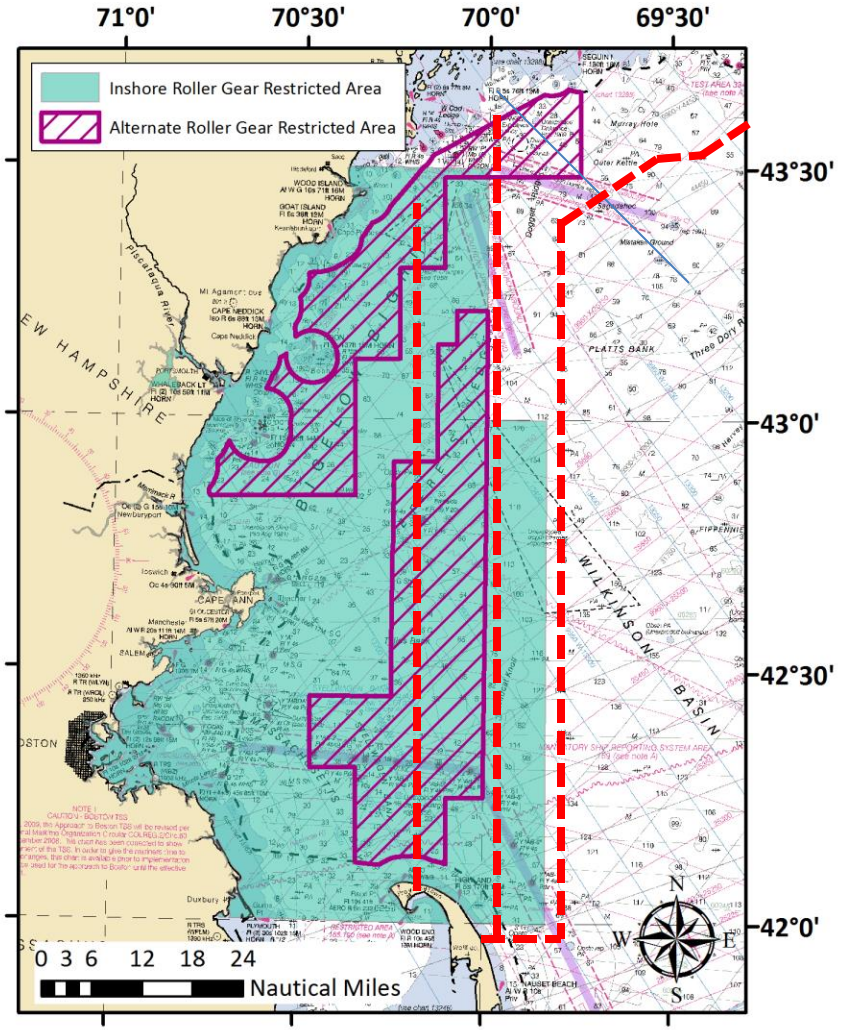
Alternatives – GOM Gear Restricted Area

Alternative 1

- **No Action.** Area in **aqua.**
  12" max for trawl roller gear for all trawls fishing under groundfish FMP.
- **Potential No Action.**
  Include all trawls (preferred). Change the area to that in **pink** (non-preferred).

Alternative 2

- Align boundary with inshore/ offshore GOM line (**red**).



Alternatives – Declaration Time Periods

Doc #6
p. 69-70

Alternative 1 - No action. Do not specify time periods.

Alternative 2 - Annual declaration. Each year, vessels declare which area they will fish in.

Alternative 3 - Seasonal declaration. Each trimester, vessels declare which area they will fish in.

Alternative 4 - Trip declaration. Each trip, vessels declare which area they will fish in.

Impacts - Valued Ecosystem Components

Doc #1
p. 218-317

Establish Boundary (4.4.1)		Human Communities	All other VECs
Alt. 1		o	o
Alt. 2	Option A	o -	o
	Option B	o -	o
	Option C	o -	o

- A boundary with no measures has no impact, apart from uncertainty for the future.
- **Uncertain** how Options B and C create a "distinction between day- and trip-boat fleets" as rationale indicates.

Negative	Low Negative	Neutral	Uncertain	Low Positive	Positive

Impacts - Valued Ecosystem Components

Create GOM cod sub-ACL (4.4.2)			Human Communities		TS	NS	EFH	PR
Alt. 1			o		o	o	o	o
Alt. 2			- re No Action		?	?	?	o
Alt. 2	Option A (set each specs)		- re B & C		?	?	?	o
Alt. 2	Option B (effort)	Sub-opt A (10)	+ re A & C	+ re B-B	?	?	?	o
Alt. 2	Option B (effort)	Sub-opt B (20)	+ re A & C	- re B-A	?	?	?	o
Alt. 2	Option C (cod)	Sub-opt A (10)	+ re A - re B	+ re C-B	?	?	?	o
Alt. 2	Option C (cod)	Sub-opt B (20)	+ re A - re B	- re C-A	?	?	?	o

- **Inshore** vessels would become more dependent on the lease market or may fish offshore unsafely.
- **Offshore** vessels would have less flexibility to fish throughout GOM as markets and fish availability determine.
- Cod and effort **data** difficult to match with boundaries.

Negative	Low Negative	Neutral	Uncertain	Low Positive	Positive

TS = Target Species NS = Nontarget Species
EFH = Physical/Essential Fish Habitat PR = Protected Resources

Impacts - Valued Ecosystem Components

Doc #1
p. 218-317

Revise GOM Gear Restricted Area (4.4.3)		Human Communities		TS	NS	EFH	PR
		>12" rockhoppers	others				
Alt. 1		o	o	o	o	o	o
Alt. 2 (align)		?	?	?	?	?	o
Alt. 2	w/ line A	+	-	-	-	-	o
	w/ line B	+	-	-	-	-	o
	w/ line C	-	+	+	+	+	o

- No NMFS data on rockhopper size.
- Most offshore vessels may already be using 12" in GOM.
- Lines A and B decrease area.
- Line C increases area.

Negative	Low Negative	Neutral	Uncertain	Low Positive	Positive

TS = Target Species NS = Nontarget Species
EFH = Physical/Essential Fish Habitat PR = Protected Resources

Doc #1
p. 218-317

Impacts - Valued Ecosystem Components

Declaration Time Periods (4.4.4)	Human Communities	TS	NS	EFH	PR
Alt. 1 (none)	o	o	o	o	o
Alt. 2 (annual)	-	o	o	o	-
Alt. 3 (seasonal)	-	o	o	o	-
Alt. 4 (trip)	-	o	o	o	o

- Trip declaration would provide more flexibility than annual or trimester.

Negative	Low Negative	Neutral	Uncertain	Low Positive	Positive

TS = Target Species NS = Nontarget Species
EFH = Physical/Essential Fish Habitat PR = Protected Resources

Recommendations

Cte

- No Action on all sections of 4.4.

GAP

- No Action on all sections of 4.4. Refer Gear Restricted Area issues to Habitat Committee.

PDT

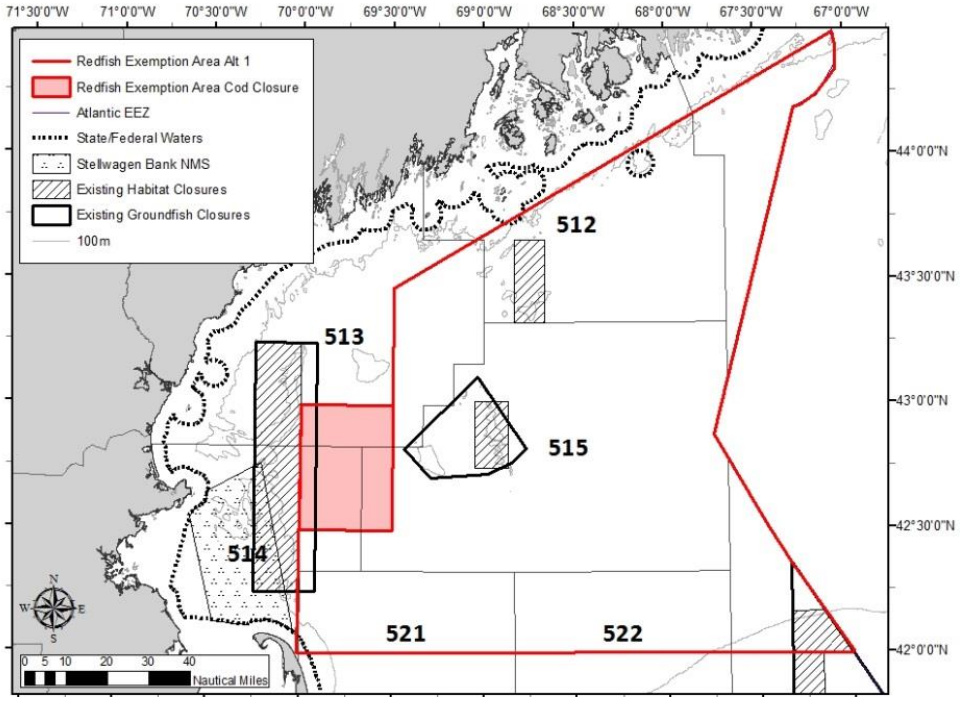
- A portion of the "inshore" side of the Option C line falls within the GB BSA. Do not revise BSA boundaries. Rather, align C to match BSA boundary for purposes of the sub-ACL or for the entire section.
- Add rationale for why there would be sub-ACLs created, beyond "limiting catch to more specific areas," which is an outcome not a rationale.

Redfish Exemption Area Section 4.5

- Range of Alternatives
- Impacts Analysis
- PDT/GAP/Cte Input

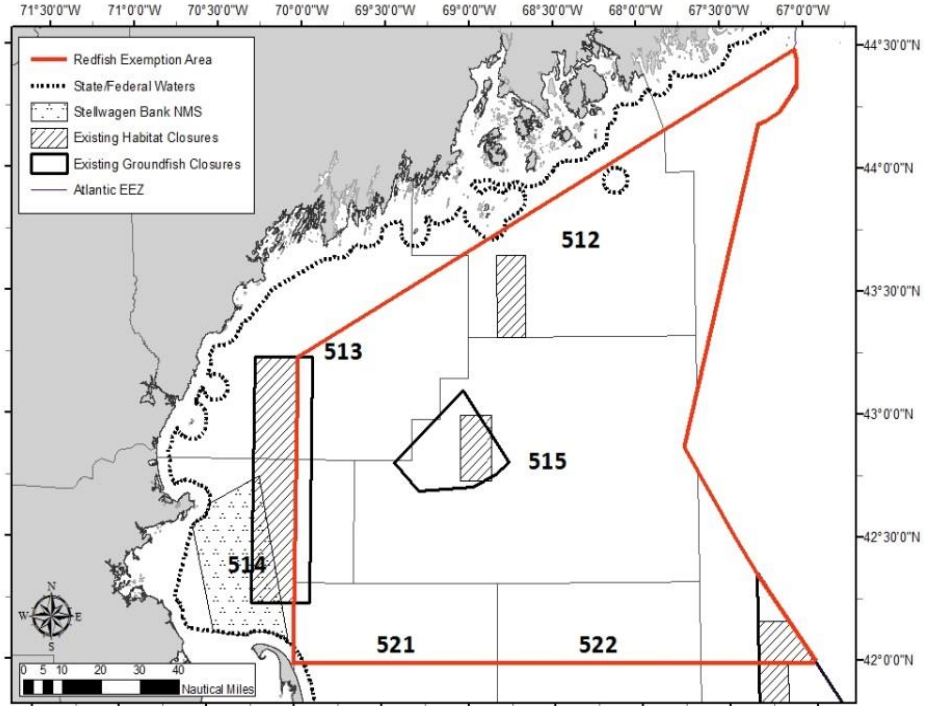
Alternatives

Alternative 1 (FY15-16 proposed)



- Stays an annual sector exemption
- For sector vessels only
- Bycatch and discard standards
- Standard monitoring rates

Alternative 2



- Established in FMP
- Includes common pool vessels
- No bycatch and discard standards
- Option to apply 100% monitoring

Alternatives

Stipulations under Proposed Status Quo & Alternative 2:

1. Prior to leaving the dock, vessel operators would be required to declare their intent to fish in the Redfish Exemption Area through the VMS by checking the box next to "Redfish Trip";
2. In the first part of the trip, vessel operators would fish with conventional groundfish codends (6.5") in the GOM and GB regulated mesh areas, except when towing a separator trawl on GB where the codend may be 6";
3. Vessel operators would be allowed to switch to ≥5.5" codends at the end of the trip after submitting VMS notification;
4. Vessel operators would report catch from the entire trip through the VMS prior to returning to port; and
5. Vessel operators would submit a separate VTR to report catch or each codend.

Impacts - Valued Ecosystem Components

Redfish Exemption Area (4.5)			HC	TS	NS	EFH	PR
Alt. 1	No Action		o	o	o	o	o
	Proposed Status Quo		-	+	+	+	o
Alt. 2	Option A (std coverage)	re No Action	+	?	?	+	o
		re Proposed	o	-	-	o	o
		re Option B	+	o	o	-	o
	Option B (100% coverage)	re No Action	+	?	?	+	o
		re Proposed	-	-	-	o	o
		re Option A	-	o	o	+	o

Negative	Low Negative	Neutral	Uncertain	Low Positive	Positive

HC = Human Communities TS = Target Species NS = Nontarget Species
EFH = Physical/Essential Fish Habitat PR = Protected Resources

Recommendations

Cte

- Tabled motion - if Proposed Rule is disapproved, recommend Alternative 2 as revised to mirror Proposed Rule.

GAP

- Keeping the RFA within the sector exemption processes gives more flexibility to change it in the future.