LAGC IFQ Performance Report

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New England
Fishery Management Council

Background and Purpose

Council initiated this review for 4 reasons

1. Council reviewed impacts of GF sector management and requested a similar analysis to potentially identify trends and issues for improvement
2. "Touchstone Report" identified a need to evaluate the general performance of FMPs
3. MSA requires all limited access privilege programs (LAPPs) be evaluated within 5 years after adoption
4. Council is considering LAPPS for other fisheries in this region

Primary resources used: NEFSC GF Performance Report (2011); NEFMC Lessons Learned Workshop; and NEFMC Draft Fishery Performance Evaluation

Outline of Report

1.0 Background

2.0 Historical description of GC fishery and management

3.0 Variables used to evaluate LAGC IFQ program

- Biological
- Economic
- Safety and Enforcement
- Governance

4.0 Findings and Recommendations

Draft Conclusions for each variable and handful of ***PDT Findings*** *for potential future action items*

History of GC management and fishery

- Scallop FMP in 1982
- Limited entry in 1994 (Amendment 4)
- GC category for vessels that did not qualify – open access with possession limit
- Starting in 1999 increase in GC fishing activity (average of 0.2 mil lbs. between 1994-2000; 1.0 million in 2001-2003, and 3-7 million each year between 2004-2006)
- Control date on November 1, 2004
- Council developed Amendment 11 (2005-2007), effective June 1, 2008
- Allocation of 5.5% of resource and 3 permit categories: IFQ, NGOM and Incidental

History of GC management/fishery (cont.)

- Permits – Over 2,500 pre A11, about 750 post A11 and declining
- Active permits – About 200 until 2004, increased to 600 in 2005; Post A11 about 200 and declining
- 75-80% of LAGC scallop landings with dredge gear
- Most IFQ vessels homeported in MA and NJ followed by NC and NY. Specific ports with highest # of vessels: New Bedford, Pt. Judith, Gloucester, Boston Cape May and Barnegat Light
- About 30% of IFQ fleet very dependent on scallops (over 90% of total revenue, and about 50% below 50% of total revenue)

Variables used to evaluate program

- Biological
  - Catch (sub-ACL) and Bycatch
- Economic
  - scallop landings, revenues from scallops and other species, permits and owners, fishing costs, vessel characteristics, primary state, etc.
- Safety and Enforcement
  - Safety – "Vessel casualties" and Vessel Age
  - Enforcement - violations, pre-landing notifications, monitored offloads, IFQ overages)
- Governance
  - Goals and objectives of A11 and Council vision for A11
  - LAGC representation and participation
  - Management responsiveness
  - Cost recovery

Biological Performance – page 36

1. Biological Variable 1 – Catch

This IFQ and sub-ACL program has been effective at controlling mortality and preventing overfishing.

- Table 21 and Table 22
- On average, over 95% of sub-ACL has been harvested in the first three years under the program
- ***PDT Finding*** *– The 15% carryover adds management uncertainty but risk of that causing total ACL to be exceeded is diminimus. But should be monitored and small buffer (sub-ACT) could be considered if needed.*

Biological Performance (cont.)

2. Biological Variable 2 – Bycatch

- Focus on 2 species: GB YT and SNE/MA YT (SNE/MA WP sub-ACL not adopted until 2013)
- Overall impact from LAGC IFQ fishery relatively small, for SNE/MA YT larger % of total scallop fishery catch (20% of total, predominantly from trawl fleet)

Economic Performance – Doc. #4a

Separate Presentation

Safety and Enforcement – page 40

1. Safety Variable 1: Number of Vessel casualties by fishery
   - # of incidents at sea for LAGC fishery compared to all fisheries in Northeast (2007-2012) Table 24
   - Since 2007 the total # of incidents has declined, but too many variables to conclude that vessel safety any different

2. Safety Variable 2: Vessel age (focus on active vessels)
   - *Very stable*
   - *Age of vessels that lease quota in relatively stable – Figure 2*
   - *However, vessels that permanently transfer quota in are younger – Figure 3*

Safety and Enforcement (cont.)

3. Compliance/Enforcement Variable 1: LAGC violations

   Limited info – small decline but may just be less enforcement presence

4. Compliance/Enforcement Variable 2: VMS Pre-landing

   Segment of fleet not in compliance (30 vessels or 15-20%); this reduces overall capability for NMFS to effectively monitor IFQ program

***PDT Finding** – NMFS should ensure that vessels are aware of this requirement and reach out to vessels that are not in compliance. AP may be able to add insight on the level of awareness of this requirement.*

Safety and Enforcement (cont.)

5. Compliance/Enforcement Variable 3: Offloads

   Very little onsite monitoring in 2010, 140 monitored offloads in 2011 and 2012 combined. No vessels in violation, but presence very low and only concentrated in a few ports.

6. Compliance/Enforcement Variable 4: IFQ overages

   No issues at this time. Only 20-25 vessels in excess and most under 500 pounds. Handful greater amounts but reconciled the next fishing year. NMFs should continue to monitor and notify Council if patterns change.

Governance (page 46)

1. Governance Variable 1: Goals and Objectives of IFQ program

   - **Primary goal of A11** – Control capacity and mortality of general category fishery. *Achieved? YES*

   - **4 Objectives of A11**

     1. Allocate portion of total available catch
     2. Establish criteria for limited entry
     3. Measures to prevent excess catch
     4. Measures to address incidental catch

   All of these objectives were achieved through measures adopted in A11: 5.5% of total ACL, specific criteria using control date and minimum landings, IFQ and possession limits, and 2 other limited entry permits established for NGOM and incidental catch

Governance (cont.)

2. <u>Governance Variable 2: Vision Statement for A11</u>

Overall, a fleet made up of relatively small vessels with possession limits to maintain the historical character of this fleet and provide opportunities to various participants including vessels from smaller coastal communities.

1. Relatively small vessels – size and HP of vessels
2. Possession limit
3. Participants at various levels – catch level groups – # of NGOM and Incidental has declined, but # of active vessels has increased

Governance (cont.)

3. Governance Variable 3: LAGC Representation in Council process

1. **Number of LAGC members on Scallop AP**

During A11 - adequate; one exclusive Gen Cat AP only and about 20% of the regular Scallop AP was made up of general category members.

Since A11 – adequate the panel is about even in terms of limited access interests, general category interests, and either both LA and LAGC or "other"

2. **Number of Council members with LAGC interests**

Adequate - For the most part the composition of the Council and Committee is divided into thirds, one third typically supportive of LA interests for the most part, one third with LAGC interests, and one third for both, or more neutral on those issues

Governance (cont.)

3. Governance Variable 3: LAGC Representation in Council process (cont.)

   3. **Frequency and Location of meetings**

      To the extent possible, meetings in convenient locations for some and frequent enough

PDT Finding *– AP should provide input on this variable in terms of locations and timing of meetings*

Governance (cont.)

4. Governance Variable 4: How quickly have changes been made to IFQ program

   - Allow rollover of 15%
   - Increase possession limit to 600 pounds
   - Modify ownership cap to 2.5% per vessel
   - Allow splitting of IFQ from vessel
   - Partial leasing during the FY
   - Separate YT AMs for LAGC vessels
   - Modify observer set-aside program to include LAGC trips in open areas

Most measures effective same year IFQ program implemented or next year – relatively quickly considering competing priorities and size of fishery

Governance (cont.)

5. Governance Variable 5: Cost Recovery

Under MSA, NMFS mandated to collect up to 3% of ex-vessel value to administer and implement IFQ programs

- To date cost $100,00 per year, or 0.4% of ex-vessel value
- Fees range, about $10 – over $3,000 per vessel
- All bills have been paid on time
- Fees cover personnel directly related to IFQ program
- Largest portion from APS Division, issuing IFQ, tracking leasing/transfer activity, payments etc.

Overall fees seem to be reasonable and IFQ owners have very high compliance in terms of paying bills on time. Fee less than 0.5% of landed value.

Conclusions and PDT Findings

- Conclusion statement for each variable
- 4 overall PDT Findings
  1. carryover patterns should be monitored
  2. VMS pre-landing awareness
  3. AP meeting locations/frequency
  4. Data issues (in second presentation)
- Any AP or Committee input before draft report presented to Council in June?