DECISION DOCUMENT

for

Industry-Funded Monitoring Amendment

HERRING COVERAGE TARGET ALTERNATIVES

New England Fishery Management Council Meeting
June 21-23, 2016

Refer to updated Draft EA - Herring Coverage Target Alternatives (May 27, 2016)

HERRING COVERAGE TARGET ALTERNATIVES	
Objective: The herring coverage target alternatives would address: (1) accurate estimates of catch, including retained and discarded catch; (2) accurate estimates of incidental catch for which catch caps apply (i.e., haddock, river herring, and shad); and (3) affordable monitoring for the herring fishery.	
Alternatives Under Consideration	**Description:** Herring Alternatives 2.1-2.4 – May choose one of these four alternatives. Herring Alternatives 2.5 and 2.6 – May choose either alternative. Selection of Herring Alternative 2.5 or 2.6 would provide industry-funded monitoring coverage within the Groundfish Closed Areas. Herring Alternatives 2.5 may be chosen alone, but Herring Alterative 2.6 must be chosen along with one of the Herring Alternatives 2.1-2.4. Note: There are five non-compulsory sub-options for consideration as well, which may be selected for any of the coverage target alternatives, except Alternative 2.5.
Herring Alternative 1	No action.
Herring Alternatives 2.1 - 2.4	**Herring Coverage Target Alternatives (choose one):** **Herring Alternative 2.1 –** Would apply 100 % NEFOP-level observer coverage on Category A and B vessels. **Herring Alternative 2.2 –** Would apply at-sea monitor coverage (ASM) on Category A and B vessels. Choose an at-sea monitor coverage target (25%, 50%, 75%, or 100%). **Herring Alternative 2.3 –** Would apply a combination of monitoring coverage based on permit category or gear type: • Would apply ASM coverage on Category A and B vessels using purse seine and small mesh bottom trawl gear. Choose an at-sea monitor coverage target (25%, 50%, 75%, or 100%). • Would apply the use of an electronic monitoring and portside sampling coverage on midwater trawl vessels. For electronic monitoring and portside sampling, choose a rate of 50 % or 100 %. **Herring Alternative 2.4 –** Would apply the use of an electronic monitoring system and portside sampling of catch on midwater trawl vessels. For electronic monitoring and portside sampling, choose a rate of 50 % or 100%. If NMFS funding is not sufficient to support the administration of these alternatives, then fishing effort would be reduced to match available monitoring levels in a given year, unless a coverage target waiver (Sub-Option 1) was selected. If the appropriate type of monitoring coverage was not available to cover a specific herring trip due to logistics, then that vessel would be unable to participate in the herring fishery on that trip, unless a coverage target waiver (Sub-Option 1) was selected.
Herring Alternatives 2.5 - 2.6	**Herring Coverage Target Alternatives 2.5 and 2.6 (may choose one):** **Herring Alternative 2.5 –** Would apply 100 % NEFOP-level observer coverage on midwater trawl vessels fishing in Groundfish Closed Areas. Alternative 2.5 may be selected in conjunction with one of the alternatives described above (Alternatives 2.1 through 2.4). **Sub-options 1 through 5 do not apply to this alternative.**

	Herring Alternative 2.6 – Combination coverage on midwater trawl fleet fishing in Groundfish Closed Areas: • Would require vessels fishing with midwater trawl gear in the Groundfish Closed Areas to comply with the selected monitoring type(s) specified for the herring fishery in this amendment. Alternative 2.6 must be selected in conjunction with one of the alternatives described above (Alternative 2.1 through 2.4) If the appropriate type of monitoring coverage is not available to cover a specific herring trip inside a Groundfish Closed Area (either due to logistics or a lack of funding), that vessel would be prohibited from fishing inside a Groundfish Closed Area on that trip, unless a coverage target waiver (Sub-Option 1) was selected.
Herring Sub-Options 1-5	**Sub-Options are all optional (may choose one or more sub-options):** **Sub-Option 1 –** Would allow vessels to be issued waivers to exempt them from industry-funded monitoring requirements, for either a trip or the fishing year, if coverage was unavailable due to funding or logistics. If not selected, fishing effort would be reduced to match the available level of monitoring. **Sub-Option 2 –** Would exempt a wing vessel pair trawling with another midwater vessel from industry-funded monitoring requirements if the vessel does not carry fish (in other words, only one vessel in the pair trawl operation would carry fish and be subject to monitoring coverage requirements). **Sub-Option 3 –** Would require that industry-funded monitoring requirements to expire 2 years after implementation. **Sub-Option 4 –** Would require the Council to examine the results of IFM coverage levels in the herring fishery 2 years after implementation, and consider whether adjustments to the coverage targets are warranted. Depending on the results and desired actions, subsequent action to adjust the coverage targets could be accomplished via a framework adjustment or an amendment to the Herring FMP. **Sub-Option 5 –** Would exempt vessels that land less than 25 metric tons of herring from industry-funded monitoring requirements.
Considerations for Council Action at June 2016 Meeting	1. Identify a preferred weighting scheme within the Council-led prioritization process to prioritize funding for the Herring and Mackerel IFM programs for years when there is a shortfall in Federal funding. • Consider specifying an equal weighting approach in this action to apply to the herring and mackerel IFM programs, acknowledging that a more complex weighing approach could be developed in the future (*Refer to Draft EA, page 72*). 2. Clarify approach to calculating herring monitoring coverage target for the at-sea monitoring options (*Refer to Draft EA, pages 98-99*): • PDT Recommendation: To reach monitoring coverage targets selected in this action, consider using an estimate of the previous year's SBRM coverage for vessels with Category A and B herring permits combined with industry-funded monitoring. 3. Consider PDT/FMAT recommendations regarding electronic monitoring and slippage consequence measures (*Refer to PDT\FMAT Memo dated May 27, 2016, pages 2-3*). 4. Select preliminary preferred alternatives for the herring coverage target alternatives.

Herring Committee Recommendations on Herring Coverage Target Alternatives - DRAFT ***June 2, 2016***	**DRAFT Committee Motions (may be modified once finalized):** **Motion (Pierce/Kaelin): That the Council add an alternative to Section 2.0: Would apply a combination of monitoring coverage based on permit category or gear type:** • **"Would apply ASM coverage on Category A and B vessels using midwater trawl, purse seine and small mesh bottom trawl gear. Choose an ASM coverage target of 25%, 50%, 75%, or 100%."** • **"After the goals of the sea herring/mackerel electronic monitoring pilot program are reached, midwater trawl and purse seines can choose to continue with ASM or use EM/portside sampling. The EM/portside sampling would be at a rate of 50% or 100%."** • Rationale: This option would provide flexibility for vessel owners to choose between at-sea monitoring and electronic monitoring/portside sampling, and allows the fleet to operate in a more cost-efficient manner. • The motion **carried** on a show of hands (8/0/1). **Motion (Kaelin/Grout): That the Council approve the IFM Draft Environmental Assessment as amended (including updated impacts analysis) for public hearings.** • Rationale: The analysis in response to [the above motion] should be incorporated in the Draft EA before the document is made available for public comment. The Committee is concerned with the potential dates for public hearings in the summer during the height of fishing season, which may impact attendance/feedback on proposed IFM measures. • The motion **carried** on a show of hands (9/0/0).
Herring Advisory Panel Recommendations on Herring Coverage Target Alternatives *June 1, 2016*	**Motion: (O'Neill/Calomo):** The AP reaffirms its motions from the March 15, 2016 AP meeting regarding preferred alternatives for the IFM Amendment. • Rationale: The updated information and analysis has not altered the opinion of the AP. It is not necessary to have >25% video review and its associated costs that have to be borne by the industry. • The motion **carried** on a show of hands (7/1/1). **March 15, 2016 AP Motions:** **Motion (O'Neill/Bichrest):** The AP recommends, as a preliminary preferred alternative, Alternative 2.3 with a total coverage of up to 25% (including NEFOP and ASM) and a portside sampling rate of up to 50% with sub-option 1 (waiver) and recording of haul back-only with up to 25% video review. • *Rationale*: Since the vessel doesn't know when the data will be reviewed, 100% video review is unnecessary. Seiners should not be excluded. There is no need to record video during times of no fishing activity. Waivers are necessary to make the program work. The waiver would apply to all components on the motion. Each gear type sells herring to the same market. The amendment should include the fishery as a whole. One gear type will not be able to charge a higher price to cover the costs. • The motion **carried** on a show of hands (5/1/1).

	Motion (O'Neill/Jongerden): The AP recommends, as a preliminary preferred alternative, Alternative 2.6 with sub-option 1. • *Rationale*: It's a combination coverage. Allows access to closed areas with coverage. Industry would rather have actual incidental and bycatch numbers rather than assumed numbers. • The motion **carried** on a show of hands. 5/2/0. **Motion (Klyver/O'Neill):** The AP recommends sub-options 2, 4, and 5. • *Rationale*: #2: It's prudent that we wouldn't need to add more costs to the industry for vessels with no fish being pumped on board. #4: It would be good to have an opportunity to review and make adjustments. #5: Do not want to impact smaller vessels that are not bringing in smaller volumes of fish. • The motion **carried** on a show of hands (5/0/2).
New England Fishery Management Council Motions on Herring Coverage Target Alternatives *April 20, 2016*	**Motion (Pappalardo/Pierce):** That the Council extend the slippage restrictions (unless safety, mechanical failure, or dogfish) and slippage reporting requirements (affidavit, VMS) to herring trips selected for at-sea monitoring coverage and electronic monitoring/portside sampling coverage. • The motion, as amended, **carried** on a show of hands (15/2/0). *The intent of the motion is that consequence measures would apply to trips selected for at-sea monitor coverage and electronic monitoring coverage.* **Motion (Bullard/Grout):** That the Council adopt using the "combined" coverage target approach for the at-sea monitoring alternatives in the IFM Amendment and the "additive" approach for the electronic monitoring/portside sampling alternatives. • The motion, as amended, **carried** unanimously on a show of hands (17/0/0). **Motion (Kendall/Grout):** That the Council refine the sampling protocol for at-sea monitors: (1) ASMs should collect information on retained catch (kept and incidental) and discarded catch; (2) ASMs should not collect biological samples (scales, otoliths, samples from marine mammals, sea birds, and sea turtles); (3) ASMs should collect length information; and (4) ASMs should be trained in the high-volume fishery. • The motion **carried** unanimously on a show of hands (17/0/0). **Motion (Kendall, on behalf of the Herring Committee):** That the Council recommend the following changes be incorporated into the IFM Amendment/draft EA: (1) describe which ports are not suitable for portside sampling, and analyze the impacts of potentially precluding landings; (2) describe that the Council would provide input on any consideration regarding deviations from the Council-selected coverage targets; and (3) improve biological impact analysis to include other quantitative and qualitative analysis (e.g., how past monitoring has affected the CV, coverage levels), include analysis of haddock bycatch outside the groundfish closed areas (for bycatch rate comparison inside the groundfish closed areas). • The motion **carried** on a show of hands (16/1/0).

Table 1 summarizes the CV calculated according to SBRM methodology as well as the realized observer coverage for each catch cap during the years when catch caps were in place. For each year and catch cap, the CV and the realized observer coverage in italics are shown in Table 1.

Table 1 – Herring Catch Cap Coefficient of Variation (CV) and Observer Coverage, 2011-2015

	Fishing Year[1]: CV (Observer Coverage)				
Catch Cap Fishery	**2011**	**2012**	**2013**	**2014**	**2015[3]**
Haddock: GB Midwater Trawl	17.6% *(41.7%)*	12.3% *(62.9%)*	21.3% *(35.6%)*	20.5% *(27.2%)*	61.4% *(4.9%)***
Haddock: GOM Midwater Trawl	0.0% *(30.4%)*	0.0% *(29.2%)*	0.0% *(34.8%)*	0.0% *(46.3%)*	0.0% *(8.6%)*
Herring-RHS: CC Midwater Trawl				36.2% *(48.0%)**	81.4% *(10.1%)*
Herring-RHS: GOM Midwater Trawl				37.3% *(50.0%)**	94.8% *(8.7%)*
Herring-RHS: SNE Bottom Trawl				28.4% *(17.4%)**	24.5% *(15.0%)*
Herring-RHS: SNE Midwater Trawl				70.2% *(3.4%)**	11.8% *(2.3%)*

Source: GARFO Quota Monitoring Database as of 5/22/2016 (Complete CV Analysis provided in the Supplement to the Draft EA)

[1]Catch cap fishing year: river herring/shad = calendar year; haddock = May-April [3]Fishing Year 2015 data are PRELIMINARY

*2014 Herring RHS fishing year partially covered by RHS Catch Caps which was implemented on December, 4 2014

**2015 Georges Bank Haddock fishing year truncated due to the closure of the GB Haddock AM Area on October 22, 2015

Table 2 - Alternative 2.2: Simulated mean CV at 25%, 50%, 75% and 100% ASM coverage

Catch Cap	**Simulated Mean CV (%)**				
	Fishing Year[1]	**25% Coverage**	**50% Coverage**	**75% Coverage**	**100%**
Haddock: GB Midwater Trawl	2011	25.8%	14.8%	8.6%	0.0%
	2012	24.2%	14.9%	8.8%	0.0%
	2013	26.4%	15.5%	9.1%	0.0%
Haddock: GOM Midwater Trawl	2011	0.0%	0.0%	0.0%	0.0%
	2012	0.0%	0.0%	0.0%	0.0%
	2013	0.0%	0.0%	0.0%	0.0%
Herring-RHS: CC Midwater Trawl	2014*	63.2%	39.5%	22.7%	0.0%
Herring-RHS: GOM Midwater Trawl	2014*	64.3%	39.1%	22.8%	0.0%
Herring-RHS: SNE Bottom Trawl	2014*	24.1%	17.3%	13.2%	9.8%
Herring-RHS: SNE Midwater Trawl	2014*	23.0%	13.6%	8.5%	3.9%

Source: GARFO Quota Monitoring Database as of 5/22/2016

[1]Catch cap fishing year: river herring/shad = calendar year; haddock = May-April

[3]Fishing Year 2015 data are PRELIMINARY

*2014 Herring RHS fishing year partially covered by RHS Catch Caps which was implemented on December, 4 2014

**2015 GB Haddock fishing year truncated due to the closure of the GB Haddock AM Area on October 22, 2015

Table 3 - Summary of Economic Impacts for Herring Coverage Target Alternatives (*Updated May 2016*)

Alternatives	Impacts on Fishery Related-Businesses
Herring Alternative 1: No Coverage Target Specified For IFM Programs (No Action)	• Low positive impact associated with observer coverage allocated by SBRM • Low negative impact associated with no additional monitoring to reduce uncertainty around catch estimates
Herring Alternative 2: Coverage Target Specified For IFM Programs	• Negative impact associated with potential reduction in return to owner (RTO) • Negative impact if fishing effort is limited by monitoring availability and herring ACLs are not harvested • Low positive impact associated with additional monitoring to reduce uncertainty around catch estimates in the herring fishery • Low negative impact associated with no additional monitoring unless available Federal funding can cover NMFS cost responsibilities • Magnitude of impacts associated with additional monitoring would be dependent on the type of information collected, amount of coverage, how coverage is allocated, and amount of available Federal funding • Magnitude of impacts associated with selection of Sub-Options
Herring Alternative 2.1: 100% NEFOP-Level Coverage on Category A and B Vessels	• Negative impact associated with potential 44.7%-11.5% reduction in RTO • Negative impact associated with potential 42.2%-5.8% reduction in RTO with 25 mt threshold • Negative impact if fishing effort is limited by monitoring availability and herring ACLs are not harvested • Low positive impact associated with additional information to reduce uncertainty of catch estimates in the herring fishery
Herring Alternative 2.2: ASM Coverage on Category A and B Vessels	• Negative impact associated with potential 38.9%-3.0% reduction in RTO • Negative impact associated with potential 36.7%-1.4% reduction in RTO with 25 mt threshold • Negative impact if fishing effort is limited by monitoring availability and herring ACLs are not harvested • Low positive impact associated with additional information to reduce uncertainty of catch estimates in the herring fishery
Herring Alternative 2.3: Combination Coverage on Category A and B Vessels and Midwater Trawl Fleet	• Negative impact associated with potential 38.5%-3.0% reduction in RTO • Negative impact associated with potential 36.7%-1.4% reduction in RTO with 25 mt threshold • Negative impact if fishing effort is limited by monitoring availability and herring ACLs are not harvested • Low positive impact associated with additional information to reduce uncertainty of catch estimates in the herring fishery

Herring Alternative 2.4: EM and Portside Sampling on Midwater Trawl Fleet	• Negative impact associated with potential 29.1%*-6.9% reduction in RTO • Negative impact associated with potential 27.5%*-2.4% reduction in RTO with 25 mt threshold • Negative impact if fishing effort is limited by monitoring availability and herring ACLs are not harvested • Low positive impact associated with additional information to reduce uncertainty around catch estimates in the herring fishery
Herring Alternative 2.5: 100% NEFOP-Level Coverage on Midwater Trawl Fleet Fishing in Groundfish Closed Areas	• Negative impact associated with potential 5.4%-1.0% reduction in RTO • Low positive impact associated with additional information to reduce uncertainty around catch estimates in the Groundfish Closed Areas • Negligible impact associated with changes in fishing effort
Herring Alternative 2.6: Combination Coverage on Midwater Trawl Fleet Fishing in Groundfish Closed Areas	• Negative impact associated with potential reduction in RTO • Low positive impact associated with additional information to reduce uncertainty around catch estimates in the Groundfish Closed Areas • Negligible impact associated with changes in fishing effort
* Reflects RTO from Year 2 of Herring Alternative 2.4	