

**NEFMC Program Review
Sample Management Action
Northeast Multispecies FMP Amendment 18**

Staff Leads: Rachel Feeney/Jamie Cournane

I. Rationale for selecting this action for the Review Panel

This action to develop accumulation limits is a good example of the Council developing an action primarily to address socioeconomic issues, which engender strong opinions and do not have easy solutions. It also illustrates how there can be differences of opinion between an oversight committee and the full Council.

II. Summary of Amendment 18 to the Northeast Multispecies Fishery Management Plan

As Amendment 16 was being implemented, there were concerns raised by the public, the Council, and the National Marine Fisheries Service (NMFS) that the transition to a fishery-wide catch share management system would lead to excessive consolidation of the fishery and reduced fleet diversity. Amendment 18 addressed these concerns. Low catch limits specified by the NE Multispecies FMP, in conjunction with expanded sector management, may lead to excessive consolidation and lack of diversity in the groundfish fleet as some permit holders buy permits from others to have sufficient Potential Sector Contribution (PSC). Conversely, as stocks rebuild and Acceptable Biological Catch (ABC) increases, there may be increased future consolidation and decreased diversity in the groundfish fleet, if vessels earn above market rates of return, as has happened in the Northeast scallop fishery.

Goals of Amendment 18 to the Northeast Multispecies FMP:

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

The range of alternatives included measures relating to accumulation limits, Handgear A permits, data confidentiality, a new boundary in the Gulf of Maine to distinguish inshore and offshore fishing practices, and the Redfish Exemption Area.

III. Purpose and Need, and Preferred Alternatives

The purpose of this action was to implement measures that affect the level of allocation that individuals or groups of individuals may control, gear restrictions, inshore offshore sub-ACL measures, and other measures aimed at maintaining the diversity of the fleet. The action was needed to promote resilience and stability of fishing businesses by encouraging diversification and quota utilization; to prevent any individual(s), corporation(s), or other entity(ies) from acquiring or controlling excessive shares of the fishery access privileges, and to encourage active and thriving fishing ports throughout the Northeast.

The Preferred Alternatives are described in the Executive Summary and Section 4 of the Final Environmental Impact Statement ([FEIS](#)).

IV. Brief summary of pertinent information on process, including timing, scoping/public comment, Committee/PDT/AP meetings, and Council meetings.

In April 2010, a month prior to Amendment 16 implementation, the Council began developing goals for a follow-on action that would address fishery consolidation and fleet diversity. However, it was not until December 2011 that a scoping period occurred for Amendment 18. Development of alternatives began in March 2013, and the public comment period on the DEIS occurred in the summer of 2015. In all, 73 public meetings related to this action were held (NEFMC 2015, Table 108).

The table below provides information on the timeline for the development of the action and applicable documents, review and analyses by committees, and the regulatory process.

For more information:

- Action plan: <http://s3.amazonaws.com/nefmc.org/7.-NEFMC-Groundfish-A18-Action-Plan-v16.pdf>
- Final EIS: <http://s3.amazonaws.com/nefmc.org/160812-A18-FEIS-formal-submission-with-appendices.pdf>
- Final Rule: <http://s3.amazonaws.com/nefmc.org/Final-Rule-Groundfish-Amendment-18.pdf>

2010	
Jun. 23	NEFMC vote on four goals that would become A18 goals.
Nov. 16	NEFMC approves 2011 priorities, including preparing an amendment to consider fleet diversity and accumulation cap objectives.
2011	
Apr. 7	NMFS publishes control date for A18.
Jun. 9	NEFMC holds Accumulation Limits Workshop.
Sept. 28	NEFMC approves A18 scoping document.
Dec. 21	NMFS publishes NOI to prepare and EIS and hold public scoping meetings.
2012	
Mar. 1	Scoping period closes.
Jun. 21	NEFMC receives summary of scoping comments.
2013	
Mar. 6	Joint Committee/AP meeting focused on A18. Discuss work to date and fishery performance. List data analysis that would inform A18 development.
Mar. 13	PDT meets to discuss data analysis feasibility.
Apr. 16	Committee meeting focused on accumulation limits.
Jun. 10	AP meeting to make recommendations on refining A18 goals and objectives.
Jun. 12	Committee meeting to potentially refine A18 goals and objectives.
Jun. 19	NEFMC revises A18 goals, eliminates objectives.
Jul.-Sept.	Committee develops measures.
Sept. 24-26	NEFMC only considered Committee's motions on permit and PSC splitting.
Sept.-Nov.	Committee develops measures.
Nov. 20	NEFMC was scheduled to consider Committee's motions, but did not.
Aug.-Dec.	Compass Lexecon excessive shares analysis.
2014	
Jan.-Jun.	Committee and NEFMC develop measures.
June 12-13	CIE peer review of Compass Lexecon report.
June 17-19	NEFMC partially approves Range of Alternatives (HA measures and US/CA) and adds Inshore/Offshore Gulf of Maine cod measures.
Late July	CIE peer review reports finalized.
Aug.-Sept.	Committee meetings focus on accumulation limits and inshore/offshore GOM measures.
Sept.30-Oct. 2	NEFMC tables approving Range of Alternatives and did not consider Committee's motions.
Nov. 17-20	NEFMC approves remaining Range of Alternatives.
Nov.-Dec.	PDT develop DEIS, analyze probable effects.
2015	
Jan. - Mar	DEIS development cont.
Mar. 25-26	GAP and Committee mtgs. to review analysis and recommend preferred alternatives.
Apr. 10	Document deadline for Council mtg.
Apr. 21-23	NEFMC approves DEIS with range of alternatives, selects preferred alternatives.
June	Formal submission of DEIS to NMFS.
Jul.-Aug.	DEIS 45-day public comment period.
Sept.29-Oct. 1	NEFMC votes on final action.
Oct.	Preliminary FEIS submitted to GARFO.
Nov. - Dec.	EIS review, revisions
2016	
Jan.- August	Continue NMFS/GARFO review and revisions.
August	Formal submission of FEIS.
December	Proposed rule, 60-day comment period
2017	
May	Implementation of measures.

V. Key analysis/data used to inform decisions

- Commercial fishery holdings data (NEFMC 2015, Section 6.5.4).
- Fleet diversity analysis (Thunberg & Correia 2015).

- Groundfish fishery performance reports, through FY 2013 (Murphy *et al.* 2015; Murphy *et al.* 2014) Northeast Fisheries Science Center – Final Reports on the Performance of the Northeast Multispecies (Groundfish) Fishery (2011-2015), economic and social data.
- Permit bank activity (NEFMC 2013).
- Excessive shares analysis (Mitchell & Peterson 2013; NEFMC 2015, Section 6.5.4.4) and its peer review (Thunberg *et al.* 2014).
- PDT analysis of accumulation limit alternatives, particularly the cumulative effects and Regulatory Impact Review (NEFMC 2015, Sections 7.7.4.5 and 9.11.1.4.1).
- Other GARFO/NEFSC fishery data.

VI. Final Timeline and Key Regulatory Documents

This table provides an overview of the regulatory timeline. Refer to the table above for a description of some of these steps.

1. NOI to prepare a DEIS/ scoping	2. Council approves final action	3. Formal Submission of DEIS	4. Prelim. FEIS Submission	5. Formal FEIS Submission	6. Proposed Rule	7. Final Rule-a/ Regs Effective-b	Days from #2-7a/b
12/21/11	10/1/15	6/30/15	10/30/15	8/12/16	12/20/16	5/1/17 and 5/22/17	578/599

VII. What worked well/ what could be improved? Please include information on any significant setbacks and how/if they were resolved

Given the length of this process and the progression of this Amendment, the questions in this section will primarily be discussed during a presentation at the Program Review meeting. The presentation will touch on the following topics:

- There were strongly held and polar opposite views, across the Council and public, on whether it was necessary to prevent consolidation and promote fleet diversity through regulation. Many ideas for doing so were considered in the process (EIS, Section 3.4.3). In the end, only a handful ended up being implemented. Which ideas made it through the process and why?
- The preferred alternatives by and large, did not constrain the fishery (e.g., the entities with the highest permit and PSC holdings can increase their holdings substantially). How did the Council weigh potential impacts to individuals and the fishery to reach its recommendations?
- The A18 timeline slowed due to:
 - Disagreements between the Groundfish Committee and Council on if and what alternatives should be developed for particular topics.

- Lack of staff capacity (Council and NMFS) to conduct excessive shares analysis, which was overcome through an independent contract.
- Database limitations prevented understanding the past and current permit and PSC holdings of fishery participants, which was overcome through laborious staff efforts (Council and NMFS).
- The simultaneous development of other actions, some of which had more strict deadlines or were deemed more urgent, limited the staff resources and meeting time that could be devoted to A18.

VIII. References

- Mitchell G & Peterson SR (2013). *Recommendations for Excessive-Share Limits in the Northeast Multispecies Fishery*. December 31, 2013. Pasadena, CA: Compass Lexecon. 60 p.
- Murphy T, Kitts A, Demarest C & Walden J (2015). *2013 Final Report on the Performance of the Northeast Multispecies (Groundfish) Fishery (May 2013 - April 2014)*. Woods Hole, MA: NOAA Fisheries Northeast Fisheries Science Center. 111 p.
- Murphy T, Kitts A, Records D, Demarest C, Caless D, Walden J & Benjamin S (2014). *2012 Final Report on the Performance of the Northeast Multispecies (Groundfish) Fishery (May 2012-April 2013)*. Woods Hole, MA: U.S. Department of Commerce. Northeast Fisheries Science Center Reference Document 14-01. 121 p.
- NEFMC (2013). *Groundfish Plan Development Team memo to the Groundfish Oversight Committee re Groundfish Permit Banks*. June 3, 2013. Newburyport, MA: New England Fishery Management Council. 36 p.
- NEFMC (2015). *Amendment 18 to the Northeast Multispecies Fishery Management Plan including an Environmental Impact Statement and Initial Regulatory Flexibility Analysis*. Newburyport, MA: New England Fishery Management Council in cooperation with the National Marine Fisheries Service. 369 p.
- Thunberg EM, Bjorndal T, Kruse J, Schmitz A & Weninger Q (2014). *External Peer Review of the Final Report by Compass Lexecon: "Recommendations for Excessive Share Limits in the Northeast Multispecies Fishery"*. Salem, MA: Center for Independent Experts and NEFMC. 135 p.
- Thunberg EM & Correia SJ (2015). Measures of fishing fleet diversity in the New England groundfish fishery. *Marine Policy*. 58: 6-14.