

Monkfish Advisory Panel Meeting Summary
July 19, 2011

Monkfish Advisory Panel (MAP) members present: Tim Caldwell, Tom Dempsey, Tim Froelich, Jan Margesen, Rick Mears, Ted Platz, Maggie Raymond (Chair), Chris Walker (Vice-Chair).

The Monkfish Committee requested the MAP to provide more details on the issues or problems identified by the MAP at their March 9, 2011 meeting.

The MAP notes that many of the issues or problems are interconnected. For example, trip limits lead to discards, which leads to inefficient vessel operation, but nevertheless, the MAP attempted to provide a more detailed statement regarding each issue separately:

Latent effort - Staff analysis of latent effort shows that there are over 500 limited access monkfish permits that have not used monkfish DAS. There is a concern that if latent effort is reactivated on monkfish, the ACL may be exceeded. This could have negative impacts on the monkfish resource and would certainly lead to subsequent reductions in DAS and trip limits (accountability measures). An increase in the number of active permits could reduce the directed monkfish fishery to a number of DAS that would make the fishery financially infeasible for directed fleet. This is of particular concern in the SFMA where a much higher percentage of the fishery is considered a directed fishery.

Analysis shows that these 500 permits with no DAS usage include 180 limited access scallop permits that can be characterized as “unlikely to activate monkfish DAS”. Analysis also shows no upward trend in DAS usage, but advisors remain concerned that an increase in DAS usage could cause fishery to exceed ACL (particularly in SFMA where gap between ACT and ACL is small).

The MAP suggests that one way to deal with latent effort, and prevent activation of accountability measures (reductions in DAS and/or trip limits), would be to freeze DAS and allocate to only those with documented DAS usage (as was done in multispecies) during some undefined timeframe. One advisor suggested creating “tiered” permit categories based on DAS usage during some undefined timeframe.

The MAP notes that individual allocations in pounds of fish may be another way to address latent effort, e.g. if an individual hasn’t fished, he/she will likely get little to no allocation. Conversely, one advisor is concerned that allocation in pounds of fish may cause activation of currently inactive permits/catch depending on how allocation is accomplished.

Lack of continuous supply to processors – A monkfish buyer who serves on the MAP complained (during March 9 meeting) that groundfish boats that leased out entire groundfish allocation were no longer landing monkfish, which had negatively impacted his continuous supply. That MAP member was not present on July 19 to provide more information.

The MAP is awaiting more information from PDT survey of processors to determine extent of problem. A New Bedford processor representative present at the meeting described this as an ongoing issue over the past 3 years, but emphasized a sharper decline in supply in the 2010-11 fishing year and attributes that decline to groundfish catch shares. However, another processor representative from the Mid-Atlantic area said that decrease in supply was not an issue for him.

In response to the problem described by the New Bedford processor representative above, the MAP notes that an allocation in pounds of fish could potentially solve the problem, as those vessels not fishing would have an allocation of monkfish that they could then catch or lease to others.

Discards – Discards of monkfish occur in both the directed and non-directed monkfish fishery. Discards in the NFMA account for 7.5% of the ACL and in the SFMA account for 29% of the ACL¹.

The MAP agrees that discards of this magnitude are wasteful and must be minimized.

Staff was not able to provide detailed information at this time on where/when discards occur, but noted that majority of discards in NFMA are from trawl vessels, while majority of discards in the SFMA are from dredge vessels, followed by gillnet vessels.²

Geographic restriction for category H permits – The MAP reviewed the staff paper on this issue, and a Category H member of the MAP described obstacles to utilizing fishing opportunities associated with this permit due to conflict between the seasonal availability of monkfish and closures to protect sea turtles.

The MAP suggests the Committee explore removing the geographic restriction on category H by reclassifying those permits as A or B permits. The MAP is generally not concerned about effort from these vessels because there are so few.

Lack of flexibility - The directed monkfish fishery has evolved into a fishery with a number of multiple vessel owners. This allows a vessel owner to accumulate more DAS and catch per year, but inflicts higher overhead costs associated with owning multiple boats to prosecute a single fishery. Much of this inflexibility results from management measures (trip limits) that produce discards and force inefficiency in vessel ownership and operation. This sort of economic inefficiency as a management mandate is difficult to justify in the case of a fully rebuilt fishery.

The MAP suggests development of permit stacking and DAS leasing options, and cautions that design details should, among other things, address potential freeze on unused DAS, latent effort, conservation tax, redirection of effort, cap on DAS leasing, and whether or not these programs would cause increase in amount of fixed gear in water. The MAP acknowledges that allocation in terms of pounds, with ability to transfer allocation from one vessel to another, may be another way to address the lack of flexibility described above.

Inefficient vessel operation - Inefficient vessel operation is linked to the issue of one owner owning multiple vessels (as described above), but was also described in terms of trip limits decreasing the efficiency of single boat owners, and those owners desire land fish caught rather than discard. One advisor expressed opinion that efficiency should be defined as low capital outlay for net return, rather than as maximizing catch per unit of effort.

Other issues

Recalling the motion passed by the MAP in March 2011 recommending the development of a range of options to address the issues described above, the MAP recommends that committee request an analysis of a few different qualification timeframes to determine number of vessels that would qualify for continued access to the fishery under a DAS usage freeze and/or individual allocation in pounds of fish.

The MAP discussed how the recent recalculation of the tail to whole fish conversion weight has resulted in a reduced possession limit. The MAP requests that the Committee develop an option to increase the SFMA trip limit to reflect a true 450/550 tail weight, with the understanding that this could result in an allocation of less DAS. One audience member objected to this suggestion.

¹ Amendment 5 to the Monkfish FMP

² 2010 monkfish stock assessment

New England Fishery Management Council

SUMMARY

Monkfish Oversight Committee Meeting
Best Western Wynnwood, Portsmouth, NH
June 1, 2011

One Committee member (Cunningham) was absent.

The primary purpose of the meeting was to review the Plan Development Team's (PDT) white paper on issues and considerations in separating the management of the two monkfish areas and develop recommendations on Amendment 6 for Councils' consideration at their June meetings. Amendment 6 is the action in which the Councils are considering catch shares management for the monkfish fishery. In response to the recent Management Review Report, NMFS requested an opportunity to discuss and take comments from committee members on the Strategic Plan for Cooperative Research 2011-2014. The Committee also reviewed the monkfish cooperative research priorities for the upcoming 2012 solicitation for proposals.

The staff presented the PDT's white paper. The main conclusions of the paper are:

- The weight of current scientific evidence suggests a single stock in U.S. waters, or, if more than one stock, mixing is likely extensive
- There are no legal impediments to managing a single stock as two separate units, either with different rules within one FMP or as two FMPs, but the Councils would need to coordinate management between the two areas, and also provide sufficient justification to NMFS that the separation is consistent with MSA National Standards.
- A substantial number of vessels currently catch monkfish in both areas, either as a directed fishery or incidentally in the same year. The Councils will need to consider how to address the operational aspects of vessels that rely on access to both areas. Since many groundfish stock areas overlap the two monkfish areas, the Councils will also need to consider how to accommodate groundfish sector vessels with ACE for those trans-boundary stocks.

The paper also outlined a number of other considerations with regard to vessel operations, administrative/enforcement matters, allocation and socio-economic factors.

Committee members initially discussed the issues and difficulties related to the management of a single stock under two FMPs. Several members stated early in the discussion that they could not support splitting the FMP; one noted that the NEFMC's efforts in recent years has been to devise ways to combine FMPs, especially in light of the movement toward ecosystems management. While managing the stock under one FMP with different sets of rules for the two areas presents some challenges, several commenters noted that such an approach is already done in groundfish, with the sector and common pool fisheries, and that the monkfish plan already has separate reference points and ACLs for the two areas. Regarding fishing in two areas on the same trip, one committee member noted that in the groundfish plan there are 5 stock areas and vessels can fish

multiple areas on the same trip, so having two areas in monkfish should not present an obstacle to managing trans-boundary fishing.

A member of the public suggested that there should be a referendum in the Southern Management Area (SMA) to gauge the feelings of the industry regarding catch shares. He also stated that landings data may be an issue when used for individual allocations, and that vessels with history in the SMA might be disadvantaged under a history-based allocation system due to the more restrictive rules there. Another commenter stated that if individuals were provided their allocation prior to any referendum, they would be better able to decide whether they supported an individual allocation system.

The chair re-introduced the list of problem areas developed by the Advisory Panel (AP), and amended by the Committee, as the basis for developing a set of goals and objectives for Amendment 6. The AP list included:

- Latent effort
- Lack of continuous supply to processors
- Wasteful discards
- Inefficient vessel operation
- Lack of flexibility
- Geographic restrictions for permit Category H vessels (vessels limited to fishing off the Virginia/North Carolina coast.)

At the March 29 meeting, the Committee added to the list the following:

- Coordination of management regimes within geographic areas
- Full utilization of catch targets, and
- Protected species interactions.

A committee member suggested that a provision in Amendment 5 ameliorated much of the discard problem. Others responded that there are a number of other discard problems that need to be addressed, including the limitations presented by the incidental limit for groundfish sector vessels. Sector vessels that bump up against the incidental limit while fishing for some groundfish species must either discard the monkfish or leave the area and forego their ability to catch the ACE for the groundfish species. One member suggested that a goal of Amendment 6 could be “to achieve optimum yield or the ACL for other species.” Another member stated that he has been getting a lot of correspondence about the interaction between the skate fishery and the monkfish fishery, and that a substantial number of skates are being discarded by monkfish vessels.

At this point, the chair entertained a motion to formalize the discussion.

Motion

To accept the AP list of problems as a problem statement for setting goals and objectives and to add that monkfish catch limits may be preventing full utilization of other species' ACLs (Odlin/Avila)

It was noted that the Committee had previously discussed the AP list and had added several items to the list, therefore:

Motion perfect by friendly amendment

To accept the AP list of problems as modified by the committee as a problem statement for setting goals and objectives and to add that monkfish catch limits may be preventing full utilization of other species' ACLs

Several Committee members commented that the bullet list of problems lacked specificity. One asked, "what is meant by 'latent effort'?" Another questioned the details (where, when, why and how much) of the "excessive discards" item. Members then suggested that the PDT be tasked with substantiating and describing the details of the problems identified in the list. The AP chair offered to engage the AP in further describing the issues, as a way of guiding the PDT analysis.

Motion to substitute

To task the PDT to develop problem statements based on the list of issues identified by the AP as modified by the committee. The PDT should develop the problem statements based on committee discussion and further input from the AP. The problem statements should be developed for the next committee meeting with the intent that the committee will develop goals and objectives in time to present to the full NEFMC at the September or November meeting. (Grout/Preble, **motion to substitute passed unanimously**)

Substitute motion passed unanimously.

Following the lunch break the Committee heard the following:

Motion

Recommend to the Councils that they do not split the FMP into two FMPs (Preble/Berg)

The maker of the motion explained that the NEFMC has spent five years trying to reduce the complexity of FMPs, and needs to consolidate rather than subdivide FMPs as a move toward ecosystem FMPs. This view, he noted, does not preclude the Councils' ability to manage the fishery differently in the two areas. Secondly, he noted that it is uncertain but likely that we are managing a single stock, or at least substantial movement between areas, which would complicate the management under two FMPs.

Commenters who supported the motion said that the coordination of management under two FMPs would be a greater problem than if the fishery were managed under one FMP, even with different rules. They also said that vessels that fish in both areas would be disproportionately impacted by being managed by two FMPs; some vessels travel seasonally between the two areas, and some fish the two areas on the same trip. One Committee member who opposed the motion said the joint plan would be unwieldy, while managing the two areas under separate FMPs would

be simpler. A couple of members of the public felt the motion was premature, and that the MAFMC should have an opportunity to discuss both alternatives before deciding. One Committee member noted that this a motion to not do something, and it should probably be reworded as a positive recommendation.

Motion perfected by friendly amendment

Recommend to the Councils that they manage the monkfish fishery under a single FMP
(motion passed 8-2)

The Committee then embarked on a discussion to further specify and define the problem of “latent effort”. One Committee member noted that in groundfish sectors, only a portion of the vessels are active, and the monkfish permits on the inactive vessels are “latent” permits, which could be activated from year to year. Another source of latent effort is with the permits that have been bought by permit banks.

Committee members also discussed other ways to identify latent permits, such as those that haven’t landed monkfish in the past five years or since the inception of the FMP. Some vessels, they noted, haven’t landed any fish in recent times. Another approach would be those vessels that haven’t used a monkfish DAS over a period of time. The Committee generally concurred with the NMFS staff who suggested looking at the break points or inflection points in various permit and effort data as a way of specifying the scope and magnitude of latent effort.

The Committee then heard a presentation by NEFSC staff on the Strategic Plan for Cooperative Research 2011-2014. The item was on the agenda as a follow-up to one of the recommendations of the recent Management Review. Committee members had no substantial comments at this meeting, but will have another opportunity at the NEFMC June meeting. The Committee also made no changes to the monkfish cooperative research program priorities for 2012.



New England Fishery Management Council

50 WATER STREET | NEWBURYPORT, MASSACHUSETTS 01950 | PHONE 978 465 0492 | FAX 978 465 3116

John Pappalardo, *Chairman* | Paul J. Howard, *Executive Director*

MEMORANDUM

DATE: March 23, 2011
TO: Monkfish Oversight Committee
FROM: Phil Haring
SUBJECT: **Amendment 6 Scoping Written Comments Summary**

We have received approximately 2,100 written comments during the Amendment 6 scoping process to date. Of these, 2045 were “boilerplate” emails in opposition to catch shares, citing concerns about consolidation, job losses, impacts on communities and small-scale fishing operations, and the privatization and commensurate loss of public control of a public resource. The remaining comments have been organized into three categories: comments supporting, comments opposed, and other or conditional comments. These are summarized below. These written comments mirror the sentiments, both in substance and proportionality, of oral comments at the scoping hearings.

Comments Supporting (approximately 7)

Most of the comments in support of catch shares cited vessel efficiency as a primary consideration, especially for offshore vessels and those involved in groundfish sectors. Other factors include the following:

- Mitigate discards associated with restrictive trip limits
- Acknowledge the time and capital investment in the monkfish fishery
- Promote safety
- Allow for full utilization of the resource (optimum yield)
- Enhanced catch information resulting from greater monitoring, in spite of increased monitoring costs, and
- Promote consolidation which results in efficient use of capital, and reduced impacts on habitat and protected species.

Comments opposed (approximately 28)

The majority of comments opposed to changing the management system to catch shares stated that the current system is working (“why fix it, if it isn’t broken”), and improvements can be made within that system to address any problems that are identified. Other comments, in approximate order of frequency are:

- Social and economic impacts, especially on small-scale operations and fishing communities

- Concerns about the effect of consolidation and ownership concentration by individuals or entities that are not vessel operators or owners
- Job losses and employment effects of consolidation
- Costs of purchasing quota
- Costs of monitoring
- Impact of increased costs on captain and crew income
- Concerns about initial allocation and the use of landings history data
- Questions about the effect of scientific uncertainty and the capability of the current scientific knowledge to support catch shares management
- The impact of choke species (esp. skates) on the ability to harvest available monkfish quotas, and
- Any catch share proposal should be subject to a broad referendum that includes crew.

Conditional or other comments (approximately 17)

The comments in this group include those from individuals or organizations who are either opposed to or supportive of some aspects of catch shares, and who offered ideas or opinions on specific elements or components. A group of monkfish dealers/processors supported those fishermen opposed to catch shares and suggested separate northern and southern management plans. They also proposed that, if the Councils proceed with catch shares, they should consider dealer/processor allocations and/or area or community based allocations.

Another organization, while opposed to catch shares management, offered a number of points that, in its opinion, the Councils need to consider if and when it develops a catch share program. This organization is concerned that any efficiency gains from such a system would come at the expense of small-scale fishermen. Their main points include the following:

- The program must be fair and equitable, and retain public control of the resource and return value to the public
- It must have limits on consolidation and transferability, and maintain a diverse fleet
- The Councils need to acknowledge that consolidation results in job losses, and that there will be significant community impacts
- The organization questions the safety promotion claims for a fishery that is not subject to a “race to fish”
- Catch shares do not ensure recovery or prevent collapse of a stock
- Catch shares promote high-grading and discards, which imposes higher monitoring costs
- All program costs should be borne by quota holders, and such costs could be recovered through quota auction or other fees, and
- Any catch share proposal should be subject to a broad referendum with full participation of small-scale fishermen; it should not be weighted by income or catch level, especially considering that a substantial part of the monkfish catch is incidental to other fishing, and

- The Councils need to state the likely impacts of catch shares on all current fishery participants and dependant communities, not just those who may benefit.

Other commenters provided the following thoughts and opinions:

- Some question the suitability of the NMFS landings database as a basis for any allocation system
- If landings are used as a basis for allocation, they should be from prior to the FMP due to the differential impact of regulations on various vessel groups
- Consideration should be given to the unique situation of the permit category H fishery, its history and geographic restrictions
- Several commenters opposed sectors but might support ITQs, depending on the details of any proposal, and
- Several commenters withheld support or opposition to catch shares until they could review specific proposals and determine the impact on their own operations or communities.

The summary above, is just that, and Committee members should review all the comments, since many, both for and against are quite detailed and substantive. Clearly, there is the full range of views and opinions, and many constructive ideas, that cannot be fully described in a bulletized summary.