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Purpose and Need for Exempted Fishing Permit

Purpose
Issuance of the EFPs would allow fishery participants to fish in the Pacific Groundfish IFQ fishery using Electronic Monitoring Equipment in lieu of an observer and to allow the National Marine Fisheries Service (NMFS) to evaluate components of an overall monitoring program before implementation of a comprehensive regulatory program.

Need
On January 1, 2011, west coast groundfish trawl fishermen began fishing under an individual fishing quota program. Under the new program, all vessels are required to have 100% at-sea observer coverage in addition to 100% shoreside monitoring of all offloads. While full accountability is critical to the success of the program, the fleet is concerned that monitoring costs will be untenable, and may cause individual fishermen or even whole ports to stop fishing.

Observer contracts vary somewhat, but most observer providers are charging between $450-500 per day. This expense disproportionately impacts smaller trawl vessels. Based on these projected costs, the observer issue has become one of the fundamental hurdles to the success of the IFQ program. It is essential to find a way for fishermen to meet NMFS’ and PFMC’s accountability requirements without imposing such prohibitive costs on the fleet.

At the implementation of the program, NMFS announced that they had funding to subsidize the cost of observers, but would need to reduce this subsidy over several years, until 100% of the cost was being paid by the industry. During 2014 this subsidy will be $216, so fishermen are currently paying a little more than one half of the cost of observers. It is anticipated that in the future this cost to fishermen will increase as the subsidy declines and the cost of placing observers increases.

It is important to remember that the cost of observers although significant it is not the only cost which trawl fishermen are paying to participate in this fishery. Trawlers are now
paying 5% of gross revenue for the buy-back loan repayment, 3% of gross revenue for cost recovery in the IFQ program, State landing taxes, and industry organization dues. The cost of observers is a fixed cost per day, rather than a percentage of gross revenue, so the calculation of percentage of gross is dependent upon the gross revenue. For higher grossing boats the percent is lower, for lower grossing boats the percentage is higher. A fair estimate of the cost of observers is between 10% and 15% of gross revenue, with a combined total cost to participate in the fishery of 18% to 23% of gross revenue.

Lastly, a compelling argument can be made for the use of cameras when examining the availability of observers. Not all ports have a large fleet of boats which are making back to back fishing trips. Most ports have a few vessels, which out of need will also participate in the Pink shrimp fishery and the Dungeness crab fishery during those seasons. The work as an observer is not steady in those ports and therefore the ability to provide observer coverage in a number of locations has proved to be difficult. The use of cameras is a logical alternative in these situations.

**Species to be harvested and their disposition:**

This EFP is not requesting any additional allocation of groundfish species for participants. The participant will cover all species harvested under this EFP with Quota Pounds in the same manner that all participants in the groundfish IFQ fishery cover their landings. All species caught will be retained and unloaded at the completion of each fishing trip at a first receiver site and monitored by a shoreside monitor.

**Broader Significance:**

It is hoped that this EFP will allow participants to lower their cost of observation. But additionally, the issuance of this EFP will provide experience to better develop procedures involving the installation of cameras, the retrieval of video data, and the analysis of that data. Overall this EFP will provide the NMFS greater insights into how best to structure and write regulations which will allow the use of cameras on a broader basis.

Looking more into the future, this EFP will provide researchers a great deal of additional data which can then be used to improve the development of image recognition software. This type of software has enormous potential to greatly reduce the cost of video review.

Lastly, the lessons learned from this EFP will benefit other sectors of the groundfish fishery, as well as other fisheries both regionally as well as nationally that are wrestling with the cost of observers.

**Duration:**

It is requested that this be an annual permit and to be continually renewed until comprehensive permanent regulations can be implemented.
**Number of Vessels Covered:**
It is unknown the exact number of vessels which will choose to participate under this permit. In recent years there have been roughly 120 vessels that have participated in the Groundfish IFQ Trawl fishery. It is anticipated due to the start-up hardware cost (yet to be determined) coupled with a full retention requirement, participation will be initially unattractive to many fishermen in the fishery. A fair guess of the number of participants would be several dozen.

This EFP would be available to any groundfish trawl permit vessel while operating with trawl gear. Interested individuals will be asked to contact the applicant to be included.

**Scope:**
This EFP would apply to all fishing activities by the permitted vessel while fishing with trawl gear in the Pacific Groundfish IFQ program.

This EFP authorizes, for limited purposes as described in this permit, the following activities which would otherwise be prohibited by federal regulation:

1. Under 50 CFR § 660.12 (a)(1) it is unlawful for any person to retain any prohibited species, which must be returned to the sea as soon as practicable with a minimum of injury when caught and brought on board. This EFP allows the permitted vessel to retain prohibited species until offloading and requires the vessel to deliver all catch.

2. Under 50 CFR 660.140 (h)(1)(i)(A) any vessel participating in the Pacific Groundfish IFQ fishery is required to carry an observer. This EFP allows participants to utilize EM in lieu of the requirement to carry observers.

All other provisions of 50 CFR Part 660 would apply to fishing conducted under this EFP.

**Reporting Requirements**
Trawl logbooks must be maintained as required by the applicable state law.

**Fishing Restrictions**
A vessel fishing under this EFP must bring all catch on board the vessel and retain that catch (including prohibited species) until offloading, with the following exceptions:

1. **Operational discards.** For the purposes of this permit, any fish that pass through the webbing of the net while the net is being retrieved or any fish that cannot be completely removed from the net prior to the net being reset or at the termination of fishing, shall be considered operational discards and need not be estimated or recorded.
2. **Large marine organisms.** Large individual marine organisms, such as marine mammals or fish species longer than 6 ft (1.8 m) in length, may be discarded. If a large marine organism is discarded, the species and the reason for discarding must be recorded and labeled as "discard" in the required logbook.

3. **Debris.** It is perfectly acceptable for the crew of a permitted vessel to discard any and all debris items which may be encountered while fishing.

**Monitoring Requirements**

Each vessel must have properly installed and functioning Electronic Monitoring System (EMS) equipment. Owners of vessels must arrange for EMS services from a (NMFS approved) EMS service provider.

The EMS must be installed, tested, the system initialized and the EMS computer box sealed with tamper evident seals before the vessel leaves port on the first EFP fishing trip. Fishing without installing and testing the EMS equipment is a violation of this EFP.

As specified by the EMS provider, the vessel operator must schedule maintenance of EMS equipment and data removal by the NMFS-specified EMS provider by scheduling periodic appointments during the term of this EFP.

On each trip prior to leaving port, the vessel operator must conduct an EMS system status check as specified by the EMS provider to confirm that all components of the EMS are functioning properly. The EMS will record the results of this check. If the EMS check identifies a malfunction, the vessel must contact the NMFS-specified EMS provider immediately. When requested by the EMS service provider, the vessel would be required to carry EMS units that transmit system performance data while a vessel is at sea. Any such requirement would be in addition to the operator initiated system check which is to occur on each trip.

Each vessel operating under this EFP must provide lighting to the following vessel areas such that the manipulation of trawl nets and fish handling can be clearly recorded by the EMS cameras: fish hold openings, deck spaces, and the trawl ramp.

The vessel is obligated to monitor the EMS performance. When aware that the EMS is not functioning properly or that the power has been interrupted, the vessel must contact the EMS service provider immediately. The EMS provider is required to provide technical service within 24 hours of notification at the vessels expense.

**Other Restrictions**

It is unlawful and in violation of this EFP for any person to tamper with, disconnect, damage, destroy, alter, or in any way distort, render useless, inoperative, ineffective, or inaccurate any component of the EMS unit required by this EFP.