

Monitoring and Cost Issues

- Review of August Workshop
- Development of Analytical Alternatives
- Cost and Cost Recovery Issues
- Next Steps

August Workshop

- A gathering of state, commission, and NMFS folks involved in data collection, data quality, policy, regulation, enforcement, and modeling aspects of groundfish fishery
- Emphasis was on understanding the current trawl logbook, port sampler, and fish ticket systems but VMS, Camera, and Observer systems discussed as well as bycatch modeling inseason management, and ITQ needs and issues discussed.

Trawl Rationalization

- IFQ and Co-op Alternatives
- Track catch (landings and discards) against catch management unit—
OY, species species group, gear, area, time, sector and subsector, bycatch cap.
- Track catch against ITQ holder, co-op group, vessel, permit, and processor
- Do so in a “Timely” manner

Scope: What Needs to Be Monitored

Catch (landings plus discard)
by trawl permitted vessels

with any directed groundfish gear.
(may or may not be required for
bycatch in the whiting fishery)

Monitoring Decisions: Big Three

- 100% at-sea monitoring (catch monitors and/or cameras)
- Full retention (or not)
- 100% shoreside monitoring (or less)

Trade-offs (I)

- 100% at-sea monitoring
 - Human or Camera
 - effectiveness
 - cost
 - cameras (if feasible) require full retention
- Retention
 - Full
 - retention monitoring at-sea (camera or less skilled monitors)
 - retention cost and disposal
 - Discards Allowed
 - accurate species and weights at-sea (more highly skilled catch monitors)
 - timely discard reporting (on a par with landings)

Trade-offs (II)

- Shoreside Observation
 - Full
 - complete and accurate speciation and weights for retained catch
 - cost
 - Partial
 - possible need for secondary systems to ensure proper accounting of landings
 - e.g. increased plant audits and monitoring of shipments from processors.

“Givens”

(all Council alternatives include)

- VMS
- Advance notice of landing
- Electronic landings reporting (state or Fed)
- Electronic tracking of vessel IFQ accounts (balances available in the field)

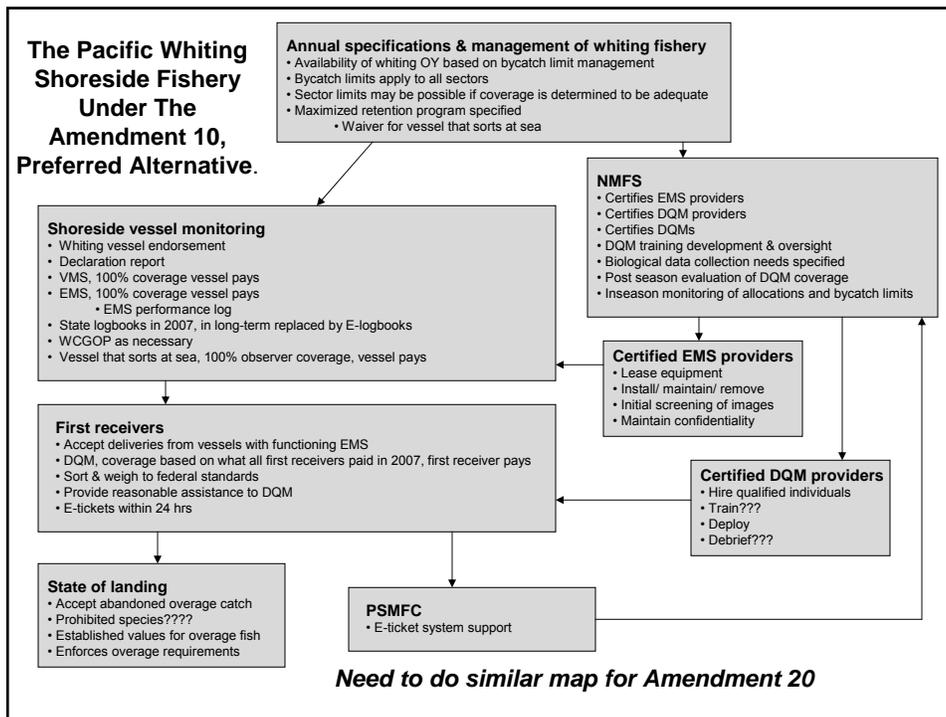
Analytical Alternatives

- Status Quo
- Status Quo “Electronic”
- 100 % At-Sea Monitoring (Human vs Camera), VMS, DQM, Electronic Logbooks.
- “Full”, “Maximized” or “limited” Discards?
- Discussion of issues of “monitoring” at less than 100%; 24/7; institutional arrangements including 3rd party contracting, integration of state and fed systems, state vs fed

Background Analysis

Side by Side Comparison of:

- Status quo
- Council Alternatives
- BC Groundfish Trawl Fisheries
- Other Relevant world fisheries
- Amendment 10
- Bering Sea Co-ops (Pollock-other?)



Sources of Cost Estimates

- Bycatch EIS
- Amendment 10
- PSMFC PacFIN Program Estimates
- Fed and State interviews including Enforcement (dust of Enforcement Gap Analysis)
- Informal Interviews of Industry
 - “Sea State”
 - Industry—what monitoring costs are they currently paying –whiting, pollock, other fisheries.

What Costs?

- Have to attributable to the LAP Program
- Incremental to routine data collection, stock assessment, and other pre-existing management costs.
- Cost categories—management, data collection and analysis, and enforcement—terms are “fuzzy” in definition—only good guidance is use Alaska Experience

Determining Costs-Use NMFS Alaska Model

- cost information gathered annually from:
 - International Pacific Halibut Commission (IPHC)
 - NMFS Office of Law Enforcement
 - NMFS Sustainable Fisheries Division
 - NMFS Restricted Access Management
 - NMFS Office of Management and Information
 - NMFS Office of Administrative Appeals
- Costs are independently identified by each management and enforcement agency unit making a claim for cost recovery funds. Not all costs can be computed with precision, nevertheless, estimates are based on documented information and all costs are subject to audit.
- Beginning fall of 2005,
 - all Alaska Region employee time sheets are coded (in not less than 15 minute increments) to identify any time spent on halibut/sablefish IFQ program or BSAI crab rationalization program management.
 - All requisitions, travel, and training are given appropriate budget code(s) necessary to allocate percentage of cost related to the halibut/sablefish IFQ program or BSAI crab rationalization program
 - Alaska Region OMI use this data to determine recoverable management costs for the Alaska region
- IPHC and NMFS OLE provide management and enforcement costs with guidance from OMI

Determining Costs (con't)

- **AKR OMI collates all identified management and enforcement costs to determine total recoverable costs. Costs are identified for nine budget categories:**
 - Personnel compensation
 - Personnel benefits
 - Travel
 - Transportation
 - Rent
 - Printing
 - Other contractual services
 - Supplies
 - Equipment

Limited Access Privilege Program Management and Enforcement Cost Recovery

- **Authorized under the Magnuson-Stevens Fishery Conservation and Management Act (MSA):**
 - Secretary of Commerce is authorized to collect a fee to recover the actual costs directly related to the management, data collection, and enforcement of any limited access privilege program (LAPP).
 - Such fees may not exceed 3% of the ex-vessel value of the fish harvested under the LAPP.
 - Shall be collected:
 - At time of landing
 - Filing of landing report
 - Sale of fish during the fishing season; or
 - In the last quarter of the calendar year in which the fish is harvested
 - Fees collected are
 - in addition to any other fees charged under the MSA; and
 - deposited in the Limited Access System Administration Fund (LASAF)
 - Available, without appropriation or fiscal year limitation, only to the Secretary for the purpose of administering and implementing the MSA in the fishery in which the fees were collected

General Information on How NMFS Alaska Collects Fees

- Fees may not exceed 3% of the ex-vessel value of IFQ halibut or sablefish. Fees have never reached 3%.
- Fees collected are used to
 - recover costs of management and enforcement (75%)
 - make funds available for Congress to appropriate to support the North Pacific (IFQ) Loan Program (25%)
- Never recover 100% of costs because of the 25% allocation to the North Pacific IFQ Loan Program
- IFQ Permit Holders responsible for payment (approximately 2,500)
 - self-collect at time of landing
 - “billed” during last quarter of calendar year
 - Permit Holder has a choice:
 - s/he may pay based on “Standard” value as set out on the statement; or,
 - s/he may pay based on “actual” value of IFQ sales (if s/he so chooses, actual value must be proven)
- Payment due January 31st of the following year. May make payment with:
 - Pay.gov
 - Credit card
 - Money order
 - Personal check
- Failure to pay results in non-transferability restriction placed on quota; assessment of penalties and interest; and eventually referral to Treasury for collection
 - Compliance is approximately 99%

What Happens to the Money

- Deposited in the Limited Access System Administration Fund (LASAF)
- Available, without appropriation or fiscal year limitation, only to the Secretary for the purpose of administering and implementing the MSA in the fishery in which the fees were collected
- Flagged by NOAA Finance as to which fishery it belongs to: Crab, IFQ, SER's Snapper.
- NOAA Budget Office acknowledges the available funds and allocates them to NMFS HQ Budget.
 - NMFS Budget Office then allots the owning region the funds.
 - At that point they are available for expenditures.
- Getting the funds to our cooperating management partners:
 - AKR partners: IPHC and State of Alaska
 - » IPHC -- (For Halibut) They apply for and are awarded a grant to reimburse them for their previous year's IFQ expenses.
 - » State of Alaska – (For Crab) We are attempting to enter into a cooperative agreement; however, may have use grant mechanism.
 - » Looking for alternative ways to get cost recovery funds to cooperative management partners

Still Pondering

- Central QS/QP tracking
- Small Boat Exception
- ITQ/Co-op
Permit/endorsement/declaration, allocation processes
- Industry Involvement in Designing Cost Reductions (limited ports, time, etc)
- Auction Issues and “Royalties”

GAC Recommendations and Public Comment

- Identify 3 sequential and additive levels of costs—Status quo, current shortfalls in existing programs, incremental costs of TIQ and Co-op programs.
- Show the benefits of increased monitoring in terms of increased access to fish and associated ex-vessel revenues.

Next Steps

- Creation of “Monitoring” Committee and first meeting November 30th
- PSMFC/NWR Presentation of Status of Electronic Fish Ticket and Logbook Projects
- Development of Monitoring and Analysis Analytical Document
- Late Spring GAC/TIQC meetings
- Draft June NEPA Document