

GROUND FISH ADVISORY SUBPANEL REPORT ON ELECTRONIC MONITORING PROGRAM UPDATE

The Groundfish Advisory Subpanel (GAP) received an overview of this agenda item from Ms. Melissa Hooper and offers the following comments.

Introduction: The GAP continues to have serious concerns about the direction of the electronic monitoring (EM) program, such as those expressed in our March 2021 EM statement ([G.5.a, Supplemental GAP Report 1](#)). The GAP views our current juncture as a choice between a third-party model (intended for January 1, 2022 implementation) and a sole-source provider model (used in current west coast EM exempted fishing permit (EFP) and planned for the Bering Sea pollock fishery). It is apparent from GAP member comments, written public comment under this agenda item ([EM Stakeholder letter](#)), and numerous GAP oral public comments that the sole-source provider model with Pacific States Marine Fisheries Commission (PSMFC) is by far the best choice, and that the path chosen at this juncture could have very consequential and long lasting impacts.

Provider Cost Estimates: The GAP appreciates the information on provider sea day cost estimates, but does not anticipate the third-party model estimates would be close to achievable or comparable to PSMFC for the following reasons:

- 1) The third-party model would likely result in multiple third-party providers with far less ability to apply overhead to large numbers of vessels which would lead to higher per vessel costs. Third-party providers would likely not work with the entire fleet as assumed in their cost estimates.
- 2) PSMFC cost values are based on direct results in the fishery. Third-party estimates are based on assumptions and experience from other fisheries, so it is not an apples-to-apples comparison.

Cost Recovery: The GAP supports PSMFC video review be included in cost recovery (CR). This is the direction Bering Sea pollock is heading and appears to be allowable and supported by National Marine Fisheries Service (NMFS). The shoreside CR percentage was 2.5 percent this past year, and the GAP believes there is room for additional reductions from there as stated in past GAP statements on CR. The GAP believes any concerns about risk of video review causing recoverable costs to exceed 3 percent are more than outweighed by:

- 1) Benefits of affordable EM that allows for greater fishery participation and a larger 3 percent value of the fishery in absolute terms than would otherwise occur.
- 2) Benefits of affordable EM to small boats, small ports, and remote ports that can be the deciding factor on level of participation or even participating at all.
- 3) The sole-source model with PSMFC being the lower overall cost model and therefore more responsive to any cost concerns.
- 4) Giving the critical EM program the best chance at success.

Support for Sole-Source Model: The GAP supports the sole-source model with PSMFC with video review applied to CR over the third-party model for the following reasons:

- 1) **Cost Effectiveness:** The sole-source model is more cost effective for both industry and NMFS as compared to the third-party model, which would require NMFS in-house audits.
- 2) **Economies of Scale:** PSMFC can take advantage of economies of scale not only as the west coast sole provider, but also combining resources used in Alaska, and potentially expanding to other fisheries in the future. PSMFC has a proven track record and is respected in both the Pacific and North Pacific regions.
- 3) **Data Confidentiality:** The sole-source model, with PSMFC acting as an agent of NMFS, does not require an audit and therefore raw EM data stored by PSMFC does NOT become a Federal record (and not subject to Freedom of Information Act requests). For many vessel owners, data confidentiality is a major concern that could be a deciding factor for them choosing to use EM at all and also affect fishery participation levels. This concern cannot be overstated.
- 4) **Necessity of Both Incentives:** It is critical that the EM program achieves both meaningful cost savings of EM over observers and data confidentiality. It will take both to retain current and attract new EM participants. Without both cost savings and data confidentiality, it is likely vessel participation will drop from current EFP levels. Fewer vessels would then increase program cost per vessel, which could cause more vessels to drop EM. There is the potential for this downward spiral and for EM program failure.
- 5) **Maintain Momentum:** EM implementation has been years in the making. If the third-party is implemented, participation drops, and momentum is lost, then it would likely take a long time to recover and attempt to build and implement an effective program, if it would even be possible at that point. It is far more important to make the right decision at this juncture than it is to get to implementation quickly.
- 6) **Impact on Other Fisheries:** Issues of mortality accountability and accuracy are not going away; not for the catch shares program or other fisheries. EM is seen as a solution, but only if it is affordable and workable to participants. If EM falters in the catch shares program, it will make it far less likely to expand to other fisheries. EM success in the catch shares program could not only provide a successful model but also economies of scale in the case of a sole-source model with PSMFC, where resources and technological developments could be spread across fisheries.

Recommendations: For these reasons, the GAP recommends the Council schedule a two-meeting process to amend the final rule, including:

- 1) A delay for the implementation of the regulatory program.
- 2) Remove the third-party review requirement and replace it with a sole-source model that uses PSMFC for video review and is included in CR – just as they took action to do in the North Pacific with a unanimous vote including the NMFS Regional Director.
- 3) If necessary, extend the EM EFP into 2022.