<u>GEMPAC- Subgroup 2- Draft Report – October 2022</u>

The Groundfish Electronic Monitoring Policy and Technical Advisory Committees (GEMPAC/GEMTAC) were reconstituted in November 2021 to address the issues identified by industry associated with the draft implementing regulations for the EM program. The established primary purpose of the EM program is to create a more cost-effective method to verify that logbook entries than a system that relies on having a human observer onboard. Beginning as early as 2010, EM systems have been deployed on vessels on the West Coast with video review conducted by Pacific States Marine Fisheries Commission (PSMFC). The current EFPs, which were intended to inform the development of the EM regulatory program, have operated continuously since 2015 with video review conducted by PSMFC.

During the process of developing regulations, industry has come together across all ports and gear types to express the importance of cost effectiveness and since 2017 have maintained that retaining PSMFC as a video reviewer under a regulatory program is imperative for the program to succeed to achieve the goal of "addressing industry concerns about rising monitoring costs and a need for more operational flexibility by providing an alternative to observers to meet the 100-percent at-sea monitoring requirements of the groundfish catch share program" (as stated in the <u>RIR/FREA</u> from 2019).

As reported at the April Council meeting, GEMPAC/GEMTAC asked for and received information on key policy issues from NMFS. This information has been used to inform recommendations for an EM program option that allows for an historically trusted provider, such as PSMFC, to conduct video review in the most cost-effective manner.

GEMPAC/GEMTAC has been committed to providing a framework for a cost effective, sustainable, and hopefully scalable, "trusted provider" model that can be industry funded if and when appropriations or other appropriate funding mechanisms are no longer available.

As a result, two subgroups of the GEMPAC were formed to address the following issues:

- 1. Develop an Industry Billing Process framework for PSMFC to collect funds from the industry. [Subgroup 1 of the GEMPAC completed this task, confirming escrow and billing process]
- 2. Look at adjusting the EM/logbook pass/fail rates to lower the fail rates with the goal of reducing full video review of some trips thereby reducing costs.
- 3. Discuss the issues concerning sampling, data handling, and EM data processing protocols (e.g., related to the 3-week turnaround requirement).
- Review EM Provider Manual to potentially develop a streamlined version for experienced or 'trusted' providers and provide it to NMFS for thought/review and legal review.

5. NMFS to look at the level of audit necessary for an experienced/trusted provider and the estimated costs associated with those audits.

Subgroup 2 of the GEMPAC has met several times throughout 2022 and has been working to gather data and present a viable proposal that addresses the specific questions posed to this subgroup, which were primarily numbers 2-4 above.

Issue 4: Review EM Provider Manual to potentially develop a streamlined version for experienced or 'trusted' providers and provide it to NMFS for thought/review and legal review

To achieve cost efficiencies and meet the goals of the program¹, Subgroup 2 reviewed the existing EM Provider Manual and developed an alternative option for a Trusted EM Provider Manual that would provide a way to both maintain PSMFC as the EM video review provider and significantly reduce costs of the program to the industry and the agency. The proposed "Trusted Provider Manual" is attached as Appendix A.

The <u>'Trusted Provider Manual'</u> creates an option within a 3rd party provider program to retain the highly successful aspects of the EFPs and provides our proposed solutions to the additional issues raised above (#2 and #3).

Issue 2: Look at adjusting the EM/logbook pass/fail rates (business rules) to lower the fail rates with the goal of reducing full video review of some trips thereby reducing costs.

Subgroup 2 recommends that the business rules for comparing discard logbook estimates to EM vide review estimates of discards (i.e., Pass/Fail designations) be eliminated because they are unnecessary (particularly under the Trusted Provider model) and create additional complexities and costs.

The Vessel Monitoring Plans (VMPs), which are approved by NMFS and which are required to use EM, list the only allowable species for discard. The allowable discard list is codified in regulations (660.604(p) and only after consultation with the Council and issuance of a public notice notifying the public of changes could the list be changed. Currently, seven IFQ species are on the allowable discard. Only fixed gear, bottom trawl and non-whiting midwater trawl trips that are approved for optimized retention may discard any of these species when using EM. In 2020, the attainment rates for allowable discard species other than Whiting ranged from 1.34% to 17.14%. Given the low attainment, the higher estimate of weight or volume should be used for catch accounting purposes. If a logbook estimate differs from the EM review estimate by 10lbs for example, it should not trigger 100% review of the trip; rather, the higher estimate should be used given the low conservation risk associated with any of these low attainment

¹ to expand the range of monitoring tools for vessel operators to meet the 100 percent monitoring requirements of the Trawl Program. This action is needed to achieve the following objectives: reduce total fleet monitoring costs to levels sustainable for the fleet and agency; Reduce observer costs for vessels that have a relatively lower total revenue; maintain monitoring capabilities in small ports; increase national net economic value generated by the fishery; decrease incentives for fishing in unsafe conditions; use the technology most suitable and cost effective for any particular function in the monitoring system; and, reduce the physical intrusiveness of the monitoring system by reducing observer presence.

species. Additionally, vessel operators already have multiple strong incentives to accurately report their logbook data; increasing the potential for greater video review and therefore raising costs is more likely to deter vessels from using EM instead of incentivizing accurate reporting.

To inform our discussions, we looked at data from EFPs in 2020 provided by PSMFC showing logbook estimates of discards compared with EM estimates of discards (attached in Appendix B). The data showed that in 2020 for the species that are allowable discards per the VMP (Arrowtooth Flounder, Dover Sole, English Sole, Other Flatfish [Rex Sole, Pacific Sand Dab], Pacific Whiting, and Lingcod) that the difference between logbook estimates and EM estimates of discards was 33% representing a total of 7216 lbs over 153 bottom trawl trips. Important to note here that the logbook discard estimates actually exceed the EM estimated discards 28.5% overall.

Issue 3: Discuss the issues concerning sampling, data handling, and processing protocols (e.g., related to the 3-week turnaround requirement).

PSMFC submits logbook data to NMFS- Vessel Account system (within seven business days) of receipt from vessels and used for the initial discard debits from vessel accounts. EM data is used to update discard debits amounts in the event the EM discard estimate is higher than the logbook estimate. Again, in 2020, EM estimates for all seven allowable discard species that were greater than logbook estimates were 7216 lbs which represented .00345% of the total pounds unharvested for these same species.

The last draft of the EM Manual required a 3 week turnaround time from the date that EM data was received by the reviewer to when summary data had to be submitted to NMFS. This 3 week turnaround was established based on average review times at the beginning of the EFP in 2015. Since that time, EFP participation has increased, and staffing has been impacted by the pandemic, which has significantly increased the actual turnaround time. Based on discussions with PSMFC, we suggest increasing the turnaround time to 90 days. This extension would have the benefit of reducing review costs by allowing the reviewer to better optimize video review based on staff availability, while having little downside to the fleet. Getting feedback on trips was helpful during the first few years of the EFPs to support adjustments to catch handling that could speed review, otherwise there are no additional benefits of fast review that would outweigh the cost savings of the extension.

Appendices

- Appendix A-Trusted Provider Manual Draft
- o Appendix B- ITQ Attainment Data