MEMORANDUM

TO:

Council, SSC and AP Members

FROM:

Clarence G. Pautzke

Executive Director

DATE:

May 30, 2000

SUBJECT:

Observer Program

ACTION REQUIRED

Final action on regulatory amendment package.

BACKGROUND

In April you reviewed a draft regulatory amendment package and recommended additional analysis prior to release for public comment and final action at this meeting. The revised document was sent out on May 25, and a copy of the Executive Summary is under Item C-2(a). The five issues addressed in the package are: (1) shoreside plant observer periods; (2) shoreside plant observer logistics; (3) assignment of observers to multiple shoreside plants; (4) groundfish pot fishery observer requirements; and, (5) confidentiality of observer personal information. NMFS staff will present the alternatives and findings of the analysis at this time.

Originally scheduled for this meeting was a report on the independent study of the North Pacific groundfish observer program by Marine Resource Assessment Group (MRAG), and a report from your Observer Committee. The release of the MRAG report has been delayed until mid-June, and therefore no report is available at this meeting. The Observer Committee was scheduled to meet in late May to review the MRAG report and continue its work at developing long-term solutions to the observer program delivery model and funding mechanisms. Due to the delay in the MRAG report, and the likelihood that the report would provide valuable guidance to the Committee, that meeting was canceled and is tentatively being re-scheduled for mid-July.

ESTIMATED TIME 2 HOURS

EXECUTIVE SUMMARY

This Regulatory Impact Review (RIR) / Initial Regulatory Flexibility Act (IRFA) analysis evaluates specific management options and alternatives designed to satisfy five areas of concern that the Council believes detract from the overall achievement of the goals of the Observer Program. These issues are separate such that proposed changes for one issue will not affect the other issues. Each issue is therefore treated separately in this analysis. The options and alternatives analyzed are based largely on recommendations by the North Pacific Fishery Management Council (NPFMC) at its June 1998 meeting.

The areas addressed in this analysis are as follows: (1) Shoreside plant observer coverage - monthly projections of delivery weights which trigger observer coverage may result in unnecessary observer coverage during periods during the month when relatively reduced deliveries are processed; (2) Shoreside plant observer logistics - observers occasionally miss observing deliveries to shoreside plants due to unreliable communication with the plant or unreliable transportation to the plant. Additionally, occasional inadequate housing for observers assigned to plants is experienced; (3) Concurrent assignment of observers to shoreside plants - observers occasionally miss deliveries to shoreside plants due to concurrent assignment to two plants receiving deliveries simultaneously; (4) Groundfish pot fishery observer coverage requirements - observer coverage does not accurately reflect fishing effort in the groundfish pot fishery due to vessels that purposely retrieve only one pot per day an observer is aboard; and (5) Confidentiality of observer personal information - personal information about observers occasionally distributed to industry by contractors has been used to intimidate observers at sea.

SECTION 1: INTRODUCTION AND BACKGROUND

Section 1 of this document presents a brief background and purpose of the North Pacific Groundfish Observer Program along with the five issues under analysis here.

SECTION 2: SOCIOECONOMIC ANALYSES OF THE ACTIONS

This section presents each of the five issues under analysis separately. The treatment of each issue includes the purpose of and need for the action, a description of each alternative

presented, a list of fleet fishery and industry directly affected by the action, and impacts of the alternatives.

Proposed Action 1. A request has been made by some shoreside processors to have weekly, rather than monthly, projections trigger observer coverage for the week at specified thresholds, reducing costs and by a reduction in observer days. For some 100% coverage plants, the current observer coverage regime can result in observer coverage during times when relatively little groundfish is received. This issue is not significant for the 30% plants.

<u>Alternative A</u> - Maintain current observer coverage requirements for shoreside processors that necessitate monthly landing projections by the processors prior to each month.

Alternative B - Require observer coverage at shoreside processors based on weekly, rather than monthly, landings projections as follows: 1) weekly groundfish landings equal to or greater than 125 mt and less than 250 mt would require 30% observer coverage during that week; 2) weekly groundfish landings equal to or greater than 250 mt would require 100% observer coverage during that week. Coverage requirements for CDQ and AFA would supercede general coverage requirements.

Alternative C - Require observer coverage at shoreside processors based on weekly, rather than monthly, landings projections as follows: 1) weekly groundfish landings equal to or greater than 100 mt and less than 200 mt would require 30% observer coverage during that week; 2) weekly landings groundfish equal to or greater than 200 mt would require 100% observer coverage during that week. Thresholds analyzed in this alternative are lower than those in Alternative B and would increase observer coverage requirements over that alternative. Coverage requirements for CDQ and AFA would supercede general coverage requirements.

Alternative D - Maintain monthly observer coverage periods at shoreside processors based on monthly landings projections, but allow a reduction of observer coverage from 100% to 30% coverage in plants for the remainder of a month when pollock or Pacific cod fisheries close. Conditions of the reduction require the plant to maintain 30% observer coverage for the rest of the month and landings received by the plant may not exceed 250 mt/week for the remainder of that month. The reduced observer coverage period for a given plant will begin on the fourth calendar day following the day that a pollock or cod fishery closes, allowing for fish received prior to the closure to be processed, and will end on the last day of the month. The CDQ and

AFA program observer requirements would continue to supercede general observer coverage requirements, requiring that every delivery received by shoreside processors be monitored.

Impacts of the Alternatives

Alternative A - Under the current monthly coverage regime for months that 100% observer coverage is required for a plant, the average number of weeks per year during which a plant receives or processes low volumes of groundfish is 2.9 weeks for Dutch Harbor plants, 6.8 for Kodiak plants, and 4.4 weeks for all plants. Current coverage in plants allows observers to collect biological samples from a variety of species for use in stock assessments. Species with low sampling effort under the current coverage regime include all rockfish, flatfish other than rock sole, and sablefish. These data are valuable to the management of the public resources, and observer costs are small in comparison.

Alternative B - Estimated Costs to Industry: This alternative would result in a significant reduction of observer days in the 100% and 30% coverage categories, but would result in a increase in observer coverage for a number of plants that currently do not require coverage. The result some redistribution of the cost of observer coverage from the larger shoreside plants to the smaller ones. Based on an average cost of observer coverage to industry, 71% of the cost savings would be realized by plants in Kodiak and Dutch Harbor, or 27% of the plants requiring observer coverage. full 99% of the cost savings would be realized by all 100% plants. Any coverage regime based on weekly landings would significantly increase the frequency of observer deployment. Costs, such as airfare, that are passed on to the plant by the observer providers would similarly increase. Some level of efficiency in these deployments would occur by consolidating travel and deployments, but a substantial cost increase would remain.

Estimated Costs to Providers: This would also bring significant impacts to the observer providers, likely requiring additional staff and operating costs. As the number of assignments increases, the number of debriefings will increase, creating a backlog of observers waiting to debrief and accruing costs to the provider paying the waiting observers. Undeployed observers also contributes to a potential shortage of available observers. Finally, the increase in shore plant deployments could create conditions under which observers might refuse these deployments, increasing observer turnover at a time of greater need for

experienced observers for the Community Development Quota and American Fisheries Act programs.

Estimated Cost to NMFS: Plant observers collect biological samples used in the development of stock assessments, and coverage reduction would result in a similar reduction in biological samples. The current system is barely adequate for biological sampling for low volume fisheries, and the proposed change would further concentrate coverage in high volume fisheries. The greatest data loss would be for species landed in small quantities in different areas and in different times of year such as all rockfish, flatfish other than rock sole, and sablefish. Also, an observer may not have time to understand the plant processing system, resulting in poor data that would negatively impact the reliability of in-season management decisions and stock assessments.

<u>Alternative C</u> - Estimated Costs to Industry: Thresholds analyzed in this alternative would result in reduced coverage levels, but the total overall reduction would be less significant than from the thresholds analyzed in Alternative Some of the coverage reduction realized from this alternative is offset by an annual increase in coverage for a greater number of plants that currently have either 30% coverage or no coverage at all. Plants in Kodiak and Dutch Harbor, or 27% of plants requiring coverage, would realize 79% of the cost savings under this alternative. One hundred percent of the cost savings would be realized as a group by the 100% plants, since on average, the 30% plants, as well as some that currently require no coverage, would see an increase in coverage. As with Alternative B, this alternative could significantly increase the frequency with which new observers are deployed.

Estimated Costs to Observer Providers: Costs of this alternative are similar to those described under Alternative B. The increase in deployments under this alternative would result in greater cost increases from the current coverage regime than would Alternative B. This larger number of deployments would also translate to an increase in complexity for deployment logistics.

Estimated Costs to NMFS: Costs of this alternative to NMFS are essentially the same as those described under Alternative B. The slight overall increase in observer days compared to Alternative B as described above could result in a slightly lower reduction of biological samples collected as compared to the current monthly deployment regime.

Alternative D -Estimated Costs to Industry: Exact quantification of the overall effects on observer coverage at shoreside plants in the BSAI and GOA under this alternative is not possible due to the number of unpredictable variables involved, particularly fishery closure dates. However, the approximate timing of pollock and cod fishery closures could result in some reduced observer coverage five months per year under this alternative. The CDQ and AFA observer requirements, which would take precedence over general coverage requirements under this alternative, are not factored into this analysis, except to note that plants receiving fish caught under those programs would benefit less in terms of cost savings via coverage reduction. Reduction in observer coverage under the conditions of this alternative are most likely to result in savings between \$270-1,620 per month per plant, based on per-day observer costs to industry, excluding additional costs such as the observer's This alternative does not provide the opportunity for a plant that has decided to reduce observer coverage in a month to return to 100% observer coverage for the remainder of the month and lifting the 250 mt/wk cap on landings received. This would prevent plants that have opted to reduce coverage for a given month from receiving larger volumes of landings if a closed fishery is reopened for any reason during that month.

Estimated Cost to Observer Providers - This alternative should not create additional logistical burden to observer provider companies due to more frequent deployments. A plant that reduces coverage from 100% to 30% for the remainder of a given month will still need some observer coverage, therefore the observer would not be expected to be redeployed elsewhere until the end of the month. However, this level of coverage reduction will provide fewer deployment days for observers and the companies employing them. As noted above, this alternative does not provide the opportunity for a plant that has decided to reduce observer coverage in a month to return to 100% observer coverage for the remainder of the month and lift the 250 mt/wk cap on landings. However, if a provision were included to allow a return to 100% coverage and remove the landings cap in the event a pollock or cod closed fishery is reopened for any reason during that month, the impacts on observer logistics described for Alternatives B and C would apply here.

Estimated Cost to NMFS - The reduction in observer coverage under this alternative is not as substantial as would occur under Alternatives B and C. However, the reduction under this alternative would occur after high volume fisheries close. Therefore some loss in data would be realized for a variety of species that are landed in small quantities. Species with already low sampling effort under the current observer deployment regime include all rockfish, flatfish other than rock sole, and sablefish.

Proposed Action 2. Shoreside Plant Observer Logistics Observer companies are required to provide all logistics to
place and maintain observers at shoreside processors,
including travel arrangements, lodging, and other services
required. However, observers have experienced difficulties
being present to meet groundfish deliveries due either to
unreliable communication or to unreliable transportation.
When the plant observer is not present during the delivery,
sampling errors can occur and duties cannot be fulfilled
leading to data losses. Observers have also reported being
housed in substandard lodging while deployed at plants. The
Observer Program has determined that these difficulties have
been corrected by observer providers, although these problems
could resume at any time. However, such problems could recur
in the future.

<u>Alternative A</u> - Maintain current requirements for contractors to provide general logistical support to place and maintain observers at shoreside processing sites.

Alternative B - Require observer contractor to provide: clean, dry, quiet housing; reliable communication equipment such as a phone at the observer's accommodations, VHF radio or pager for notification of upcoming deliveries or other necessary communication, and safe, reliable, motorized transportation to the plant if the observer's accommodations are greater than 1 mile away from the processing facility.

Alternative C - Require the observer contractor to provide: reliable communication equipment such as a phone, VHF radio or pager for notification of upcoming deliveries or other necessary communication, and safe, reliable, motorized transportation to the plant if the observer's accommodations are greater than 1 mile away from the processing facility.

Impacts of the Alternatives

Alternative A Observers have failed to be present at a plant at the time of a delivery because of lack of notification or transportation approximately 6-8 times per year from 1996 to 1998, a relatively small percentage of the total number of plant deliveries, resulting in lost data for prohibited species catch accounting and biological samples. Sampling errors by vessel observers have occurred due to the plant observer not being present to advise the vessel observer of the plant procedures. The cost is a degradation of the quality and quantity of data available to fisheries managers and scientists that could result in decreased confidence in stock assessments and inaccurate quota or prohibited species catch estimations. Unsatisfactory housing conditions could

lead to observers refusing assignments to certain plants or dissuading them from future deployments, contributing to a growing concern over observer availability. The observer providers that supply observers to shoreside processors have indicated that they have corrected these problems, and the Observer Program reports that they have not had complaints from observers about these issues in over a year. Therefore the cost of retaining the status quo alternative may be relatively small, except that the potential exists for such problems to arise in the future.

Alternative B Although observer providers have indicated that they have corrected the deficiencies, these could recur in the future if regulations are not implemented. Under the assumption that each of the specific concerns have been voluntarily resolved by the industry and/or observer providers, then adoption of this alternative would impose no attributable incremental cost, while also providing the benefits of the regulatory safeguards which would prevent recurrence of these conditions.

Alternative C This alternative would ensure reliable, motorized transportation between an observer's lodging and the plant, but would not ensure an adequate quality of housing while assigned to a plant. Adverse implications of the potential for an observer to be housed in substandard lodging are the same as those indicated in Alternative A for this housing quality issue. A reduction in observer job performance, effectiveness, and morale could lead to a reduction in data quality.

Proposed Action 3. Assignment of Observers to Multiple Shoreside Plants - Individual plant observers in Kodiak and Dutch Harbor are often assigned to provide coverage for more than one plant in a day. When concurrent deliveries occur at two different plants to which a plant observer is assigned, that observer can meet the delivery and perform required duties at only one plant, leaving the other plant without coverage for that delivery. Six plants in Kodiak and two in Dutch Harbor share observers. The problem of missed deliveries due to concurrent deliveries at both plants covered by one observer is particularly limited to the pollock fishery and is most acute in Kodiak. Plant observers duties are not completed when the observer is not present during the This issue is resolved for the Bering Sea in the delivery. implementing regulations for the AFA. An observer must be available to monitor each delivery at every plant to which

they are assigned at the prescribed coverage levels without simultaneous, conflicting duties.

<u>Alternative A</u> - Maintain current practice of no restrictions on the number of plants to which an observer may be concurrently assigned.

Alternative B - restrict concurrent assignment of an individual observer to shoreside processors during periods of open, directed pollock fishing, such that the observer will not be responsible for coverage in any one day, where a day is a 24 hour period from 0000 hrs A.L.T. - 2400 hrs A.L.T., for more than one shoreside processor which requires observer coverage for any day that the plant receives or processes deliveries. Additionally, in any single contract during open, directed pollock fishing, an observer cannot be assigned to cover concurrently more than: (1) one plant requiring observer coverage during a calendar month for each day it receives or processes groundfish during that month; or (2) two plants, each requiring observer coverage during a calendar month for 30% of the days it receives or processes groundfish during that month.

Impacts of the Alternatives

Alternative A - NMFS' ability to collect adequate data for the management of the groundfish fisheries, including accounting for prohibited species bycatch, at plants which share observers is in question. Although the frequency with which observers miss deliveries due to concurrent deliveries at two different plants is not great, the potential for missed deliveries to increase at the plants in question if delivery frequencies increase or the practice of sharing observers spreads to other plants exists. Industry could incur costs from the potential mis-allocation of TAC resulting in premature fishery closures due to inaccurate catch accounting.

Alternative B - Plants requiring 100% coverage would incur the entire cost of each observer day they received coverage. The observer costs for these 100% plants would, therefore, be roughly double their current costs of coverage, although no higher than other "100%" plants that do not share an observer, essentially creating a cost equity for all 100% plants. Two 30% coverage plants that share an observer would still be able to pay for half of an observer, so no additional costs would be incurred for these plants under this alternative. However, these plants would have to schedule their deliveries in such a way that the two plants do not receive or process deliveries on the same day for every day of the month.

Proposed Action 4. Groundfish Pot Fishery Observer Coverage Requirements - Observer coverage requirements for vessels fishing for groundfish for pot gear is based on fishing days rather than gear fished. Reports have been filed since 1996 by observers documenting circumstances where vessel operators indicated that they were retrieving only one pot while the observer was aboard simply to meet the minimum coverage requirement. While this technically satisfies coverage requirements, it is not considered within the range of the normal fishing activity. Occasions may arise when a trip must be foreshortened or the number of sets retrieved in a day may be fewer than normal, but a deliberate effort to reduce effort when an observer is aboard results in observed fishing days not being representative of fishing effort as intended. Observer coverage requirements are designed to capture unbiased data for a given fishery under normal fishing conditions. Overall observer data for the groundfish pot fishery from 1998-1999 indicate that an average of 123 pots were retrieved per day when an observer was aboard. Observer coverage of fishing days with significantly reduced numbers of gear retrievals results in far less observer data collected relative to actual fishing effort. When extrapolated to the level of the fleet, these observer data take on a far greater significance than they are designed to do. Observer coverage should reflect actual fishing effort within this fishery, so that information received by in-season managers accurately reflects catch levels.

Alternative A - Maintain current observer coverage requirements for vessels equal to or greater than 60 ft LOA fishing with pot gear that participate more than 3 days in a directed fishery for groundfish in a calendar quarter to carry an observer at least 30 percent of their fishing days, as defined, while using pot gear in that calendar quarter, and during at least one entire fishing trip using pot gear in a calendar quarter for each fisheries category in which the vessel participates.

Alternative B - OPTION 1: Amend observer coverage requirements for a vessel equal to or greater than 60 ft LOA fishing with pot gear that participates more than 3 days in a directed fishery for groundfish in a calendar quarter so that such a vessel must have an observer aboard during at least 30 percent of the total pot retrievals by that vessel in that calendar quarter, rather than for 30 percent of its fishing days in that calendar quarter. Groundfish would be required to be retained each day the observer is on board and gear is retrieved for observer coverage to be valid.

OPTION 2: Amend observer coverage requirements so that a vessel equal to or greater than 60 ft LOA fishing with pot gear that participates more than 3 days in a directed fishery for groundfish in a calendar quarter must have an observer aboard during at least 30 percent of the total pot retrievals by that vessel in that calendar quarter and for at least 30 percent of its fishing days in that calendar quarter. Groundfish would still be required to be retained each day the observer is on board and gear is retrieved for observer coverage to be valid. OPTION 3: Amend observer coverage requirements so that a vessel equal to or greater than 60 ft LOA fishing with pot gear that participates more than 3 days in a directed fishery for groundfish in a calendar quarter must have an observer aboard during at least 30 percent of the total pot retrievals by that vessel in that calendar quarter, and for at least 30 percent of the vessel's fishing days in that calendar quarter, and for the retrieval and delivery of at least 30 percent of the landed catch by that vessel for that calendar quarter. Groundfish would still be required to be retained each day the observer is on board and gear is retrieved for observer coverage to be valid.

Alternative C - Amend the definition of a fishing day for pot vessels, for purposes of observer coverage, as a 24 hour period from 0001 hrs A.L.T. - 2400 hrs A.L.T. during which at least 12 sets are retrieved and groundfish are retained.

Alternative D - Amend the observer coverage requirements for all vessels equal to or greater than 60 ft LOA fishing with pot gear that participate more than 3 days in a directed fishery for groundfish in a calendar quarter while using pot gear to require each vessel to carry an observer each day it fishes with pot gear during a calendar quarter.

Impacts of the Alternatives

Alternative A - With pot vessels circumventing the intent of the coverage level requirements, NMFS' ability to collect adequate data for the management of this fishery is compromised. The increasing frequency with which observer coverage falls short of reflecting actual fishing effort results in biased data used for estimating prohibited species bycatch, discard rates and total catch. Inaccurate catch accounting may result in fisheries closures occurring before allocations are reached or after quotas are exceeded. Premature closures cause forfeit of valuable catch and could adversely impact product supply and prices paid by consumers. Delayed closures of the fishery due to "distortion" of observer coverage, cause fishery resources to be less efficiently and effectively managed, with adverse long term

implications for productivity and future catch levels. While these costs cannot be readily estimated, they do represent a real potential loss associated with this behavior. The average cost of observer coverage per year for the entire fishery for 1998-1999 is \$218,430, or \$2,060 per vessel, or approximately 1.6% of the gross revenues for this fishery for these years.

* Alternative B - OPTION 1: This option, in which coverage levels are based on a percentage of gear retrieved, provides an incentive for vessels to maximize fishing effort while carrying an observer aboard. The more gear a vessel retrieves while an observer is onboard, for the sooner coverage requirements will be met for that quarter. Meeting coverage requirements with fewer observer days would reduce observer costs to the vessel. This alternative would benefit NMFS by enhancing its ability to obtain observer data that reflects a known portion of actual fishing effort, but may introduce some bias through clumping data by time and area. OPTION 2: This option would not provide the incentive to vessels to retrieve more gear while an observer is aboard, allowing for no potential cost savings over the status quo. It would be expected to result in observer data that is more representative of the pot fishing over time and possibly area than is currently experienced. This option would not be expected to increase costs over the status quo, because in theory, 30% of the fishing days should approximate 30% of the gear pulled. This option would also be expected to benefit NMFS by enhancing the agency's ability to obtain observer data that reflects a known portion of actual fishing effort, resulting in better management of the fishery. OPTION 3: This option would be expected to have similar impacts as Option 2. with the possibility of additional observer coverage needed to meet requirements for coverage for retention and delivery of 30% of the catch for the quarter. This would be in the event this requirement were not met by the time the pot retrieval and fishing day coverage requirements were met. Additionally, requiring the coverage for the 30% fish caught and landed in addition to coverage requirements based on a percent of gear retrieved and fishing days does not appear to add additional assurance that the observer coverage reflects the fishing effort.

Alternative C - This would require applying a minimum fishing effort to each observer day for that day to count toward coverage requirements. The current average pot retrievals per day is 123, although variations occur for a variety of reasons. Setting a minimum limit on gear retrievals to validate an observer day could unfairly constrain fishing practices, possibly endangering the vessel and crew. This

could also result in added costs to the vessel for each day that it carried an observer, but did not meet the minimum retrieval limit for legitimate reasons. The actual burden this might represent is questionable, however, since this provision applies to vessels which are currently only required to carry observers for 30% of their fishing time.

Alternative D - This level of data is not necessary for scientific or management purposes. Additional costs would be realized by 30% coverage vessels and would approximately triple the costs currently incurred. In addition, it would contribute to inefficient use of the limited number of observers available for coverage in all fisheries, reducing available observers where coverage needs are greater.

Proposed Action 5. Confidentiality of Observer Personal Information - Observers have reported since 1991 that resumes containing employment histories, home addresses and phone numbers, as well as past observer deployment evaluations have been forwarded to fishing companies by the observer contractors without the observer's permission. This personal information was often forwarded on to individual vessels aboard which the observer was deployed. The potential for misuse and abuse of this personal information is clear and overt intimidation of observers is the primary concern. This type of direct or implied intimidation can result in observers, particularly those less experienced, declining to report potential violations witnessed during a deployment, thus undermining their effectiveness in monitoring fisheries activities and practices. Such personal information about observers should remain confidential and not distributed to the fishing industry.

<u>Alternative A</u> - Maintain current NMFS policy requesting that observer contractors refrain from distributing personal information about observers, such as resumes, observer evaluations and deployment ratings, to industry, but would not include as regulation.

<u>Alternative B</u> - Amend regulations to prohibit observer contractors from distributing personal information, such as observers' resumes, observer evaluations and deployment ratings, home addresses and phone numbers to industry.

Impacts of the Alternatives

<u>Alternative A</u> - Retention of the status quo could jeopardize NMFS' ability to collect scientific data and monitor the prosecution of these groundfish fisheries covered by observers (including information on potential violations), due to the

potential for intimidation of observers through the means described above. Additionally, the potential for unfavorable or hostile working conditions for observers could continue, contributing to factors that may persuade observers to choose not to continue in this job, exacerbating the problem of attracting and retaining qualified observers.

Alternative B - This would result an increased confidence in observers' ability and willingness to collect and report required data, including information on potential violations, without fear of having personal information, supplied by the contracting firm, used by vessel or plant personnel as a means of intimidation. This would also be expected to result in better overall management of the North Pacific groundfish fisheries, and avoidance of the potential costs associated with the status quo alternative. There are no direct or immediate fiscal costs associated with this alternative, since all regulated firms assure NMFS that they have voluntarily ceased this practice.

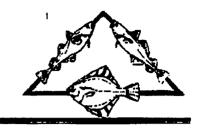
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SENT BY FAX MAY 30, 2000

TO: RICK LAUBER, CHAIRMAN

NORTH PACIFIC FISHERY MANAGEMENT COUNCIL

RE: COMMENTS ON OBSERVER PROPOSALS

SENT BY FAX: MAY 30, 2000



COMMENTS ON OBSERVER PROGRAM PROPOSED CHANGES ACTION 1 AND ACTION 3

AGENDA ITEM C-2(a)

SUBMITTED BY ALASKA GROUNDFISH DATA BANK

PROPOSED ACTION 1. Change the observer coverage trigger for shorebased processors from monthly to weekly. <u>Preferred option Is Option B.</u> However Options C or D are also satisfactory.

Currently shorebased processors' observer coverage is determined at the first of each month. However, fisheries requiring shorebased observer coverage often close before the end of the month, but the shorebased processors' observer coverage requirement does not change until the end of the month.

Processors are faced with either continuing their observer cover level, even if there are few deliveries and little for the the observer to observe, until the end of the month or cease taking deliveries until the beginning of the next month.

Considering the cost of observer coverage and the scarcity of observers it seems prudent to allow processors to change their observer coverage requirement to match the opening and closing of fisheries.

<u>Preferred option is Option B</u> which uses the end of a week as the trigger to allow shorebased processors to change their observer coverage. This option apportions the current observer coverage requirements by week.

Option C is also acceptable. Even though option C will somewhat Increase shorebased observer requirements, the increase is small compared to the cost of maintaining an observer when there are only occasional deliveries.

Option D is also acceptable. In order to meet the goal of reducing observer coverage when there is a change in the fisheries Option D should allow shorebased processors to change coverage levels whenever there is an opening of a federal fishery or three days after the closure of a federal fishery. The requirement that shorebased plant observer coverage cannot change until three days after the season closes assures observers will be available in the plants to observe the last deliveries of each fishery.

PROPOSED ACTION 3: AGDB MEMBERS SUPPORT OPTION A - NO CHANGE. Option A allows one observer to observe more than one plant.

The problem statement for this proposed action states that when an observer is observing in two shorebased processing plants not all deliveries are observed when both plants assigned to the observer receive deliveries at the same time. The problem is described as "particularly limited to the pollock fishery".

AGDB members believe the issue is not how many deliveries are observed, but how many deliveries are needed statistically to have a reasonable confidence percentage for the significant items observed (size and sex ratios, PSC bycatch, etc). Developing the analyses of how many landings are needed for each of the target fisheries was and is a high priority. Before costly changes to the observer requirements are implemented AGDB members request that NMFS provide an analysis for each proposed change.

The concern regarding one observer observing two plants is stated as "particulary limited to the pollock fishery" and also noted is that "This issue is resolved for the Bering Sea in the implementing regulations for the AFA".

In other words, this is an issue concerning only the Gulf of Alaska which is not rationalized and cannot rationalize until Congress provides the needed legislation.

The issue only concerns the pollock fishery which in the Gulf is spread into four seasons lasting somewhere between 12 hours and 2 weeks. The Gulf pollock fishery for years has been a pelagic only fishery that takes 0 or 2 MT of halibut for the whole year. Most of the salmon bycatch ends up in the plants and is put in totes for the observers to assess.

AGDB suggests NMFS analyze the data for each Gulf pollock reporting area and provide a cost/benefit analysis of removing the ability of shorebased plants to share observers. The proposed change in shoreside observer coverage would double the cost of observer coverage for most Gulf processing plants and should be properly analyzed.

REQUEST TO RECONSIDER OBSERVER REQUIREMENTS FOR ITQ SABLEFISH

Most IFQ sablefish are delivered heads off to allow bleeding of the fish to maintain quality. Since the sablefish are delivered heads off there is not much biological data, if any, that a shorebased observer can collect. AGDB members request that NMFS reassess the need for shorebased plants to retain observers to look at headless fish in order to say "looks like a sablefish."

Thank you for your consideration of AGDB's comments

Chris Blackburn, Proprietor Alaska Groundfish Data Bank