Alaska Groundfish Data Bank

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North Pacific Fishery Management Council
1007 West Third Ave., Suite 400
Anchorage, Alaska 99501-2252

Re: FMAC Agenda Item 7a - Current and Future Observer Availability

Dear Co-Chairs Kimball and Tweit and Members of the Committee,

Alaska Groundfish Data Bank, Inc (AGDB) is a member organization representing Gulf of Alaska (GOA) shorebased trawlers mostly homeported in Kodiak and shorebased processors that operate in the GOA. Our members participate in both partial and full coverage fisheries and rely not only on the availability of observers to prosecute the fishery, but also quality observer data for fisheries management.

During Final Action on C5 - BSAI Pot CP Monitoring at the February 2023 Council Meeting, two pressing monitoring issues were identified in that action, which warrant a review with a wider scope across all fisheries. The two issues are: 1) availability of observers to meet all the training endorsements across fisheries and 2) transparency of species composition data deletions. The Advisory Panel discussed these issues during the February Staff Tasking agenda item and passed a motion unanimously (see attached Motion 2). The Council subsequently chose to agenda the topic for discussion at the May 2023 Fishery Monitoring Advisory Committee (FMAC) meeting. During the "Other Issues" agenda item, I was asked to summarize these issues in the hope that the committee would be willing to give input to the Council on how best to move forward.

Issue One - Regulatory Boxes for Observer Training Endorsements
Observer endorsements have been defined at 50 CFR 679.53 since 2012 with subsequent amendments in 2016 and 2018. A summary of the observer training and experience requirements for each observer endorsement level can be found in Table 2-1 of the January 2023 BSAI Pot CP Monitoring draft Regulatory Impact Review (RIR).[1] The observer coverage requirements by vessel and gear type in full coverage fisheries are also summarized in Table 2-2 of the same analysis. These tables can be found attached to this comment letter.

The Observer Program provides the regulatory framework for deploying observers and EM systems to collect data necessary for the conservation, management, and scientific understanding of the commercial groundfish and Pacific halibut fisheries of the North Pacific. Management actions look to the Observer Program for necessary monitoring data to support these actions. Observer availability data captured in Council analyses and regulatory impact reviews can be misleading. Although unintentional, data such as Table 4-1 (see attached) in the CP Pot Monitoring RIR, reflects observers that remain certified and in

[1] NMFS. January 20, 2023. "Draft Regulatory Impact Review for a Proposed Regulatory Amendment to Revise Monitoring Requirements for Pot Catcher/Processors Participating in the BSAI Groundfish Fisheries." Page 10-11.

the system for 18 months, regardless of their intentions to ever return to the program again. While this has always been a known caveat to some degree, the increase in "one and done" contracts, as well as the larger number of long term observers who decided to move on to new opportunities during the covid pandemic, has exacerbated the unintentional inflation of these numbers.

Furthermore, while data like the number of observers available at each training level is important, this data does not communicate the seasonal demand of observer deployments across all fishery sectors based on fishery timing. This means we lack the information to fully consider how an action might affect other simultaneous fisheries at particular times of the year, particularly those with similar certification and training requirements.The length and pace of fisheries is a particular challenge that is not thoroughly considered when taking management actions, especially in light of declining TACs. Fisheries that operate consistently throughout the year are easier and more cost-effective to deploy observers on; they can work their full 90 day contract on a single vessel with minimal reassignments. Shorter, faster paced or sporadic fisheries exist even in the full coverage sector and they present additional challenges that create deficits of available observers. Our members have most recently felt this in our CGOA Rockfish Program (RP), which is challenging and not cost-efficient to deploy observers in. Since 2022, our vessels have had increased observer costs for the fishery, have had to delay fishing until observers become available and the Observer Program has had AIS prioritize coverage for the fishery to meet monitoring challenges.

The implementation and acceptance of deploying Electronic Monitoring (EM) systems in place of at-sea observers has also changed the monitoring landscape. While the benefits and data improvements made by EM are undoubtable, and we support their continued implementation, it has further constrained the ability to deploy observers by decreasing the number of positions, especially deployments where only an observer certification (OC) is required. For example, during the duration of the Pollock Trawl EM Exempted Fishing Permit (EFP) (2020-2023), the BSAI shoreside CVs transitioned from the full coverage human at-sea observers to 54% of the fleet participating in electronic monitoring. Both the CGOA and WGOA fleets are in the partial coverage sector and 60% of CGOA vessels switched to EM while acceptance into the program is almost 100% for the WGOA fleet. The footprint of vessels was frozen due to funding for 2023, but new vessels are anticipated to join in 2024. It is expected that the BS shoreside pollock fishery will move to 100% EM participation when the regulated program goes into effect in 2025, and there will also be an unknown, but larger, percentage of CGOA vessels expected to transition to pollock EM.

In addition to EM, the implementation of the BSAI Pacific Cod Trawl Cooperative (PCTC) program will transition the BS cod fishery from the option between being partial coverage or carrying a full coverage observer, to mandatory 100% observer coverage on all trips. Despite the transition from a race to a cooperative program, the nature of the cod fishery during the A season, and the relatively low trawl cv cod TACs (ex: 26,807 mt in 2023),with a large number of participants means the fishery will likely remain a shorter, fast paced season requiring large numbers of observers simultaneously for a short period of time. While the fishery will not have additional training requirements and will provide opportunity for observers to gain sea days and experience with just an OC, it will strain the availability of observers during the A season.

Another nuance to the issue that is generally not considered is the balance between the full and partial coverage fisheries. While there are three certified observer contractors that can contract with industry to deploy observers in the full coverage fisheries in the pay as you go model, there is only one contractor who is awarded the partial coverage contract with the ability to deploy in those fisheries. This means that a single contractor can have the majority of the OC minimum coverage requirement in a particular

gear type (ex: fixed gear) while the other contractors have minimal to none of the minimum coverage positions available to them to train their observers. While solutions such as the Longline Lead Level 2 (LL2) training have helped to somewhat dampen this issue, the LL CP sector is still carrying extra observers than required simply to get them additional training so they are available in the future as a lead level 2 observer.

While it is the observer provider's responsibility to provide the required observers to vessels and shoreside processors, over time we have continued to make changes to the regulatory environment. These actions have often been incremental, one fishery and sector at a time, since that is naturally how issues are most effectively addressed through the Council process. At the same time, however, we have been inadvertently making the business environment increasingly challenging and untenable for observer providers.

To address this, as supported by the Advisory Panel[2], we request that the FMAC recommend to the Council that they direct staff to develop a discussion paper that discusses the following:

1. Comparison of current and future deployment needs with availability of trained observers for both partial and full coverage sectors.
    a. Consider how many observers of each training endorsement level are needed simultaneously across fishing seasons, more similarly to how an observer provider needs to deploy observers.
    b. Compare the total number of distinct, qualified observers and newly qualified observers (ex: Table 4-1 in RIR) that has traditionally been used with the above number of observers needed seasonally at each experience level.
    c. Describe the challenges observer providers have encountered in providing observer coverage.
    d. Consider how recent Council actions and their forthcoming regulatory changes (ex: Pollock Trawl EM, PCTC Cod, BSAI POT CP) will affect the availability of entry level observer positions for different gear types in the full coverage and partial coverage sectors.

Issue 2 - Species Composition Data Deletions

The level of observer data deletions in the BSAI Pot CP sector first became known in the Council Process when it was included as part of the RIR for a Proposed Regulatory Amendment to Adjust License Limitation Program License Endorsements for BSAI Pacific Cod Pot CPs[3]. To quote, "Of the 13 fishing seasons (A and B seasons) between 2014 and 2020, NMFS AFSC FMA replaced all or a portion of the observer data with industry reported production data for a vessel in nine of the seasons." The analysis goes on to show in Figure 2-1 that between 54 and 69% of deletions occur on trips on an observer's first or second contract. However, as you can see from the figure below, there is a surprisingly high percentage of deletions that occur in observers third through fifth contracts; and the percentage of deletions continuing to occur in deployments 6-8 is not zero. The number of deletions each year is also surprisingly high; there were 58 in 2019, 48 in 2020, and 51 in 2021.

[2] NPFMC. February 2023. E. Staff Tasking Advisory Panel Motions and Rationale. https://meetings.npfmc.org/CommentReview/DownloadFile?p=5bb77778-6611-4880-9619-fd3d14eccdd4.pdf&fileName=E%20AP%20Report.pdf

[3] NPFMC. 2021. Regulatory Impact Review for a Proposed Regulatory Amendment to Adjust License Limitation Program License Endorsements for Bering Sea/Aleutian Islands Pacific Cod Pot Gear Catcher/Processors. NPFMC, 1007 W 3rd Avenue, Suite 400, Anchorage, AK 99501. Available from: https://meetings.npfmc.org/CommentReview/DownloadFile?p=0b885d01-5199-42fb-b6bb66ef0b12981d.pdf&fileName=C1%20BSAI%20Pot%20CP%20Analysis.pdf.

There is no regular process by which the number of large trip level species composition data deletions are reported to the Council. We realize that human error exists and there will always be some level of data deletions. However, given the level to which we rely on observer data to make our management decisions, we do feel that we should be reviewing changes and trends of deletions more consistently. If we are going to consider the future availability of observers, then ensuring the training is adequate to prepare them to be successful, and prevent data loss is a crucial piece. This is addressed by the second part of the AP's motion as follows:

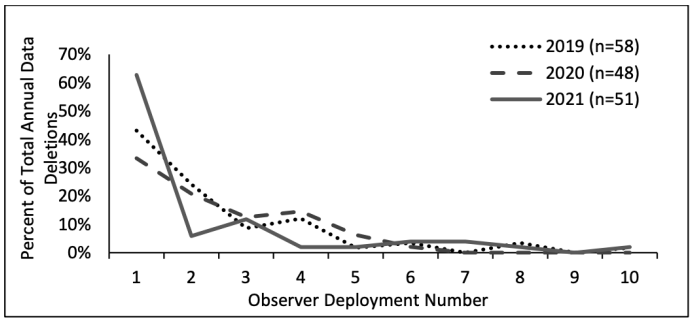

Figure 2-1 **Percent of annual data deletions tracked by the AFSC FMA by observer contract number, 2019 through 2021. For 2019, only the number of contracts are available. Although some contracts can contain multiple deployments, contracts assumed to be equivalent to the number of deployments for comparison. AFSC FMA data 2022.**

2. Present a summary of observer data quality issues by each observed fishery and sector, with trends of those issues over an appropriate time period including:
    a. Number and percentage of observer trip level species composition data deletions.
    b. Potential impacts of these data deletions for fishery management, conservation, and assessment of needed training change.

Addressing both topics will give us a broad look at the information needed to consider how best to improve observer availability, training, data quality and the understanding of the operational environment for observers and how it affects the Observer Program, fishing industry and observer providers. Considering what type of monitoring model will get us through the next decade and beyond is crucial. This is an issue that all sectors and gear types can collaborate collectively on and plan for into the future. I look forward to hearing from the chairs and committee, providers, and all sectors on this topic.

Thank you for your time.

Sincerely,

Chelsae M. Radell
Assistant Director
Alaska Groundfish Data Bank

Motion 2

The Advisory Panel recommends that the Council direct the FMAC to provide a report to Council on the current and future ability to deploy observers and meet observer data quality standards in the full and partial coverage fleets, given the rapidly changing monitoring landscape across the fishing industry. The report shall be provided following the FMAC's next scheduled committee meeting.

The report should consider, but not necessarily be limited to, addressing the following:

1. Comparison of current and future deployment needs with availability of trained observers for both partial and full coverage sectors.
    - Consider how many observers are needed simultaneously across fishing seasons, more similarly to how an on observer provider needs to deploy observers.
    - Compare the total number of distinct, qualified observers and newly qualified observers (ex: Table 4-1 in the RIR to Revise Monitoring Requirements for Pot CPs Participating in BSAI Groundfish) that has traditionally been used with the above number of observers needed seasonally at each experience level.
    - Describe the challenges observer providers have encountered in providing observer coverage.
    - Consider how recent Council actions and their forthcoming regulatory changes (ex: Pollock Trawl EM, BS Trawl Cod LAPP, BSAI Pot CP) will affect the availability of entry level observer positions for different gear types in the full coverage and partial coverage sectors.

2. Present a summary of observer data quality issues by each observed fishery and sector, with trends of those issues over an appropriate time period including:
    - Number and percentage of observer trip level species composition data deletions
    - Potential impacts of these data deletions for fishery management, conservation, and assessment of needed training change.

Motion passed 15/0

<u>Rationale in Favor of Motion:</u>

- As mentioned in the AP's rationale for C5 BSAI Pot CP Monitoring, concerns about future ability to deploy observers came up in discussion and public testimony.
- Data on observer availability can be skewed because observers stay certified and in the system for 18 months, regardless of intentions to observe again. Although this has always been a known caveat, the apparent increase in "one and done" contracts, as well as a larger number of long term observers who left for new opportunities during the Covid-19 pandemic, has potentially exacerbated observer supply issues.

- Council actions over time have continued to change the regulatory environment, creating discrete changes one fishery or sector at a time. This has also inadvertently made the business environment increasingly challenging for observer providers and observer provider business plans are visibly shifting; the North Pacific has recently lost one of the four recent certified full-coverage observer providers and the AP motion is intended to better understand possible causes.
- Examining data deletions across sectors, even when they don't have a clear impact on management, is important because it can be indicative of additional observer training needs. A possible outcome would be to improve observer experiences and thereby improve retention and data quality.
- Although work load is a concern, the feasibility and importance of the request was discussed with NMFS staff, and the AP motion is intended to be a higher level starting point since observer data is critical to the Council process. The FMAC is an appropriate venue for initial review of these issues and for providing possible solutions.

Motion 3

Approve the minutes from the December 2022 meeting.

Motion passed 15/0

2 Description of Alternatives

The alternatives in this chapter are designed to accomplish the stated purpose and need for the action. All of the alternatives are designed to maximize the utility of observer data collected in the BSAI Pot CP fishery by reducing the likelihood of data errors.

2.1. Alternative 1, No Action

This alternative would maintain the current observer requirements for BSAI Pot CPs as they currently exist in 50 CFR Part 679. Observer endorsements are defined in 50 CFR 679.53 and include a general Observer Certification and annual deployment endorsement requirements, as well as "Level 2" and three types of "Lead Level 2" endorsements based on specific experience and gear type requirements. All observers must attend an annual briefing and a subsequent pre-cruise briefing for additional deployments throughout the year. The training and experience requirements to gain the various deployment endorsements are summarized in Table 2-1. Currently, the BSAI pot CP fishery is one of the only CP sectors in the full coverage category that does not require a Lead Level 2 (LL2) deployment endorsement (Table 2-2).

Table 2-1 Observer training and experience requirements for the various observer deployment endorsements

Endorsement	Requirements
Observer Certification	Minimum eligibility Initial observer training
Level 2	Observer certification 60 data collection days Met expectation on last cruise
Lead Level 2 (nontrawl gear)	Level 2 endorsement 2 cruises (contracts)—at least 10 days each Successfully completed LL2 training or briefing as required 30 sampled sets (nontrawl gear) or 100 sampled hauls (trawl gear)
Lead Level 2 (trawl gear)	Level 2 endorsement 2 cruises (contracts) 100 sampled hauls on a CP using trawl gear or a mothership

Table 2-2 Observer requirements in full coverage category fisheries

Vessel/Gear Type	Fishery Description	Observer Endorsements Required
Mothership	Groundfish CDQ – delivery of unsorted codends	Lead Level 2 (LL2) + Observer Certification (OC)
Trawl CP/Mothership	Pollock CDQ Groundfish CDQ BSAI Pollock Amendment 80 in BSAI Rockfish Program	LL2 + OC
HAL CP	BSAI Pacific cod Groundfish CDQ	Increased observer option: LL2 + OC
		Scales option: LL2 (with flow scale)
CP/Mothership All gear types	All other fisheries (including HAL CPs that "opt out" of BSAI Pacific cod fishery)	OC
Trawl CV	Groundfish CDQ BS Pollock Rockfish Program	OC
HAL CV	46' LOA CDQ Groundfish	OC
Pot CP	Groundfish CDQ	LL2
	Groundfish (non-CDQ)	OC

In recent years, the management of the BSAI Pot CP fishery has been challenged by a high rate of observer data loss, either by deletion or failure to collect data. Of the 13 fishing seasons (A and B seasons) between 2014 and 2020, NMFS Alaska Fisheries Science Center's Fisheries Monitoring and Analysis Division (AFSC FMA) replaced all or a portion of the observer data with industry reported production data for a vessel in nine of the seasons (NPFMC 2021). Due to the fishery's small number of participants and short seasons, the deletion of samples due to observer error can lead to substantial changes in the estimates of catch and bycatch, in some cases roughly doubling harvest estimates (NMFS 2017). Across all sectors, data deletions are strongly correlated to experience, with roughly 54 to 69% percent of deletions occurring from trips on an observer's first or second contract (Figure 2-1).

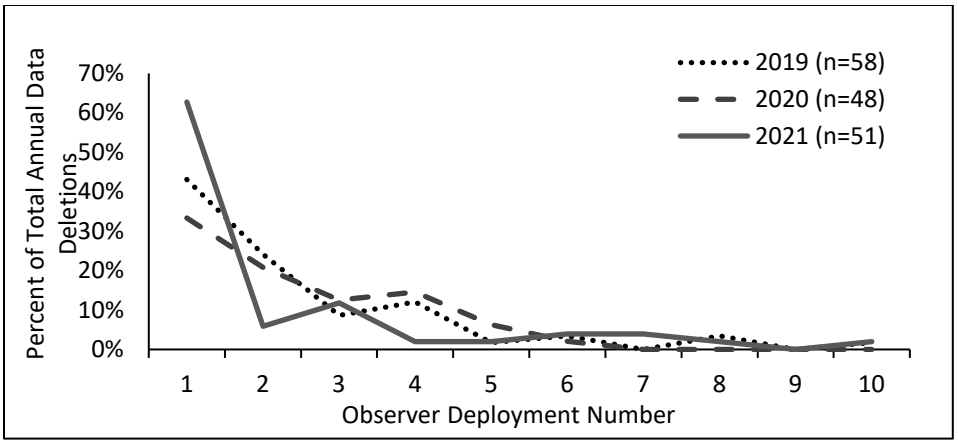

Figure 2-1 Percent of annual data deletions tracked by the AFSC FMA by observer contract number, 2019 through 2021. For 2019, only the number of contracts are available. Although some contracts can contain multiple deployments, contracts assumed to be equivalent to the number of deployments for comparison. AFSC FMA data 2022.

In addition to data errors, the participants in the BSAI Pot CP fishery have recently expressed concern with the extrapolated haul estimates by the observer and their production weights. Accurate haul estimates are important to the fleet for catch accounting during their short seasons which are typically only a few weeks long.

2.2. Alternative 2, Implement additional monitoring requirements for Pot CPs participating in BSAI groundfish fisheries

2.2.1. Element 1: Require a minimum of one Level 2 Observer on board at all times.

Regulations would be modified to require an observer with a Level 2 endorsement be deployed on CPs using pot gear in the BSAI non-CDQ groundfish fisheries. By requiring Level 2 observers for this fleet, a certified observer on their first deployment could not be deployed on CPs using pot gear.

NMFS has consistently required experienced observers, usually with Lead Level 2 deployment endorsements for vessels participating in groundfish catch share programs because of the unique incentives to misreport catch that are created by the act of assigning quota and therefore accountability to individual entities (cooperatives or vessels). Catch share programs with additional monitoring and equipment requirements include the following: Community Development Quota (CDQ) Program (63 FR 30381, June 4, 1998), Pollock Fishery American Fisheries Act (AFA) Program (67 FR 79692, December 30, 2002), the Amendment 80 Program (72 FR 52668, September 14, 2007), and the Central GOA Rockfish Program (76 FR 81248, December 27, 2011; 86 FR 11895, March 1, 2021).

This Element would increase the experience requirement for observers deploying on CPs using pot gear, however this Element would only require the Level 2 endorsement rather than the more advanced Lead Level 2 endorsement that is required for most observers deployed in catch share programs.

2.2.2. Element 2: Require vessel operators comply with pre-cruise notifications when requested by NMFS.

A pre-cruise meeting provides an opportunity for AFSC FMA staff to participate in a conversation between the vessel crew and a newly assigned observer prior to embarking on a trip. This allows staff to clarify expectations and provide knowledgeable advice about anticipated sampling scenarios that an observer may encounter at sea, better preparing the observer and the crew to work together

4.3. Impacts on Observer Availability

4.3.1. Observer Deployment Logistics

A vessel in the full coverage category contracts directly with a permitted observer provider to procure observer coverage. Four companies are currently permitted by NMFS to provide observer services to vessels and processors participating in North Pacific fisheries. The four companies are A.I.S., Inc.; Alaskan Observers, Inc.; Saltwater, Inc.; and TechSea International. A principal activity of these companies is to provide observers for the North Pacific Observer Program, and most of them provide observers for other observer programs within or outside of Alaska or are involved in other business activities. These observer providers contract with individual fishing operations to supply observers. They also contract with individual observers and deploy them on fishing vessels and at processing plants as necessary to meet the requirements of the fishing operations. Vessels cannot request specific individuals or discriminate on a number of other grounds, including gender.

4.3.2. Element 1: Require a minimum of one Level 2 observer on board at all times.

Pot CPs are often subject to a fast rotation of new observers on their first or second contract, leading to the sector having the highest data deletion rate of any CP gear type in the region (NMFS 2017). Requiring one Level 2 endorsement may reduce the operational flexibility of observer providers in deploying observers. However, the majority of certified observers (263 out of 441 certified observers in 2020) are Level 2 qualified and would be eligible for deployment on the affected fleet (Table 4-1). Additionally, a large number of newly certified observers gain the Level 2 endorsement within their first year (82 newly qualified level 2 observers in 2020) and this has remained relatively stable through time (Table 4-2). When compared to the distinct number of observer deployments on the pot CP fleet in any given year, the likelihood that this new experience requirement would result in an observer shortage or deployment delay is small and can be mitigated by clear communication and deployment planning between the vessel owner and operator and the permitted observer provider.

Table 4-1 Total number of distinct qualified observers and newly qualified observers who attained each endorsement type as of December 31 in each year: 2012 through 2020.

	Total Qualified (Population)					*Newly Qualified (Annual Growth)*			
Year	*Attrition*	*Certified*	*Level 2*	*Trawl LL2*	*Non-trawl LL2*	*Certified*	*Level 2*	*Trawl LL2*	*Non-trawl LL2*
2012	*N/A*	511	*275*	208	214	*165*	102	64	60
2013	*133*	501	*285*	224	216	*123*	101	75	55
2014	*164*	500	*292*	229	202	*163*	99	73	39
2015	*113*	532	*321*	241	215	*145*	119	77	60
2016	*126*	515	*339*	254	213	*109*	110	77	53
2017	*143*	477	*318*	253	192	*105*	85	70	35
2018	134	473	*300*	253	165	130	91	78	32
2019	137	477	*292*	246	159	141	104	90	33
2020	166	441	*263*	232	129	130	82	77	15
2021	128	453	*251*	223	108	140	77	70	12

Source: NMFS AFSC FMA Database, January 2021.
Note: Some observers may be accounted for in more than one column.