

NORTH PACIFIC FISHERY MANAGEMENT COUNCIL

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Action Memo

File Number: REP 14-098

Agenda Date12/8/2014

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Dan Hull, Chairman Chris Oliver, Executive Director

SUBJECT:

Executive Director's Report (including review of staff work plan for GOA trawl bycatch management; crab workgroup report on regional delivery framework agreement; legislative update)

New Staff

In November we welcomed Jim Armstrong to our staff, whom many of you have met, as our new Plan Coordinator/Analyst. As I reported in October, Jim comes to us with many years of experience, from both the State of North Carolina and the Mid-Atlantic Council, and with a Bachelor of Science in Marine Biology from UNC and a Master of Science in Fisheries from NC State.

On December 1 we welcomed Ms. Joy Stein to our staff. Joy will be our new Finance Officer, and will be working closely with Gail over the next 6 months as Gail transitions to retirement in June 2015. Joy comes to the Council with a Business degree in accounting from the University of Phoenix, and many years of accounting experience, including most recently as an Accounting Supervisor with the Matanuska-Susitna Borough School District. Welcome aboard to both Jim and Joy!

Plan Team/Committee Nominations

The ADF&G has nominated Laura Stichert to the Council's Crab Plan Team to replace Wayne Donaldson. The nomination letter and Ms. Stichert's resume are **attached** and will be reviewed by the SSC at this meeting.

AP, SSC, and PNCIAC appointments will be made in executive session later this week, and announced at the close of our Council meeting. Other Committees, including the halibut charter CATCH committee, will be discussed under agenda item E, Staff Tasking and Committees.

Legislative Update

No further developments have occurred on the MSA reauthorization front, but two other bills may warrant Council consideration and comment: The first is a draft bill introduced this past summer by Senator Murkowski, titled the "Improved National Monument Designation Process Act", which would require Congressional approval, and NEPA compliance, prior to any Presidential declaration of a national monument under the Antiquities Act authorities. It would also require approval of the State legislature of any State within 100 miles of a proposed national monument (the **draft bill is attached**, along with a background fact sheet). In October the Pacific Fishery Management Council wrote a comment letter to the Senator generally supporting this bill (**also attached**). We have been requested by Senator Murkowski's office, both verbally and via email, to review the bill and consider writing a letter of support.

The second is a draft bill(s) which would extend the exemption to EPA regulations for small vessel incidental discharges due to normal operations. Two bills have been introduced (one would extend the exemption for one year, and the other would extend it permanently) and we have been verbally requested by both House and Senate staff to consider a comment in support of such exemption(s). When Senator Begich visited the

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Council in October he also urged our support of extending this exemption. **Attached** is a Saving Seafood Alert which summarizes this issue.

Sea Grant Fellowship Program

The Alaska Sea Grant is initiating a Fellowship program, patterned after the highly successful Knauss Fellowship program, and is seeking our Council's participation in the program, along with other State and Federal resource management agencies (NMFS, ADF&G, NPRB for example). The program would place two or three post-graduates per year in one-year positions within participating agencies, at a cost of about \$30,000 per year to the host agency (see attachment for details). In our recent five-year funding award application, I have budgeted for our participation in this program with the approval of the Council's Finance/Executive Committee

Fisheries Innovation Fund RFP

The National Fish and Wildlife Foundation (NFWF) has announce their 2015 Fisheries Innovation Fund RFP (see attached), which will award over \$1 million (noting a 40% prioritization for New England fisheries) to "foster innovation and support effective participation by fishermen and fishing communities in the implementation of sustainable fisheries in the U.S." Awards typically range from \$50,000 to \$250,000 and preproposals are due by December 19 with final proposals due February 26, 2015. Potential applicants may include EM related proposals for example. Details on this RFP process **are attached**.

Marine Protected Area/Habitat update

National Marine Sanctuaries

The National Marine Sanctuaries Act authorizes the Secretary of Commerce to identify and designate as national marine sanctuaries, areas of the marine environment (including the Great Lakes), which are of special national significance; to manage these areas as the National Marine Sanctuary System; and to provide for the comprehensive and coordinated conservation and management of these areas and the activities affecting them in a manner which complements existing regulatory authorities.

Last year, the Council wrote a letter commenting on the proposed revised process for nominating and evaluating sites to be considered national marine sanctuaries (focusing on a lack of clarity with regard to the approval process of nominated sites). The revised process was proposed to replace the current top-down process with a new bottom-up process whereby local communities and other interested parties would provide NOAA with proposals for new national marine sanctuaries. In June 2014, NOAA implemented the final rule that establishes the process by which communities may submit applications to have NOAA consider nominations of areas as national marine sanctuaries. Communities, in this context, are defined as a collection of interested individuals or groups; local, tribal, state, or national agencies; elected officials; or topic-based stakeholder groups, at the local, regional or national level (e.g., a local chapter of an environmental organization, a regionally-based fishing group, a national-level recreation or tourism organization, academia or science-based group, or an industry association).

This rule contains the considerations NOAA will use to evaluate national marine sanctuary nominations, describes the process for submitting national marine sanctuary nominations, and promulgates the regulations necessary to implement this action. If NOAA determines a nomination adequately meets the final criteria and considerations, it may place that nomination into an inventory of areas for the NOAA Administrator to consider for designation as a national marine sanctuary. While the final rule did not explicitly address our concerns with the nomination and approval process, the Sanctuaries Act itself does contain a requirement for consultation with the Regional Council prior to approving the designation of any proposed site. The

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sanctuary nomination website is here: http://www.nominate.noaa.gov/>

National MPA System

Executive Order 13158 calls for the creation of a National System of MPAs to "enhance the conservation of our Nation's natural and cultural marine heritage and the ecologically and economically sustainable use of the marine environment for future generations." The Executive Order is here:

must "avoid harm to the extent permitted by law and to the maximum extent practicable to resources protected by an MPA". The national system, implemented in 2008, is described in detail in the Framework for a National System of Marine Protected Areas for the United States:

http://marineprotectedareas.noaa.gov/pdf/national-system/finalframework full.pdf>

The original Framework is now in the process of being updated. A revised framework has been drafted (see attached), and a notice and request for comments has been published to implement these revisions (see attached). Comments on the revised Framework are due December 26. The revised Framework appears to be more streamlined, and includes additional information on the functions of the National System, the role of the MPA Center in coordinating and supporting the National System, and includes substantial revisions to the criteria for cultural resources. Specifically, the revised framework adds a new criterion that allows MPAs created by tribes and indigenous people to be eligible for the National System.

The impact of the revised MPA Framework on Alaska fisheries is uncertain, and it is difficult to know in advance what areas might be eligible for nomination. For example, there has been interest by the City of St. George and others to have a tribal designation of the 60-mile zone around the Pribilof Islands (an area apparently noted as ecologically significant by the Fur Seal Treaty) as a Cultural Heritage MPA. Should this area be added to the National MPA System, then agencies would be required to avoid harm to resources protected by the MPA. While Northern fur seals may be the resource specifically associated with the area, it is unclear if the requirement to "avoid harm to the extent permitted by law and to the maximum extent practicable to resources protected by an MPA" would include its prey, feeding areas, haulout locations, or other habitats potentially affected by fishing activities.

Currently, there are several areas in Alaska that are part of the National MPA System (including the Yukon Delta National Wildlife Refuge, the Arctic National Wildlife Refuge, the Alaska Maritime National Wildlife Refuge, and Glacier Bay National Park & Preserve). Several years ago, at the request of NOAA, the Council considered other areas that could be included in the National MPA System. In December 2009, the Council reviewed a discussion paper on the MPA nomination process, including a revised list of fishery closure areas that appear to be eligible for inclusion into the national system of MPAs:

http://www.alaskafisheries.noaa.gov/npfmc/PDFdocuments/meetings/MPA 1209.pdf>

Based on its review, the Council tasked staff to prepare a follow-up discussion paper that would evaluate the Council's existing quasi-marine reserves (seamounts, AI coral gardens, Bowers Ridge, GOA coral HAPC areas, Sitka pinnacles, and Steller sea lion 3-nm no-transit zones) relative to the avoiding harm from the effects of fishing on these areas, for possible nomination to the MPA System. However, further work on the discussion paper was put on hold until NOAA issued guidance on the interpretation of 'avoid harm to the extent practicable'. The revised Framework provides no further clarity on this critical aspect of MPA designation. The MAFMC is the only fishery management Council that has nominated any sites to the National System, due to concerns over the 'avoid harm' provision.

Framework for a Pan-Arctic MPA Network

The Arctic Council is a high level intergovernmental forum to provide a means for promoting cooperation,

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coordination, and interaction among the Arctic States, with the involvement of the Arctic Indigenous communities and other Arctic inhabitants on common Arctic issues, in particular issues of sustainable development and environmental protection in the Arctic. Arctic Council Member States are Canada, Denmark, Finland, Iceland, Norway, Russian Federation, Sweden, and the United States. The U.S. will have chairmanship of the Council from 2015-2017.

The Arctic Council's workgroup on the Protection of the Arctic Marine Environment (PAME) is in the final stages of developing a Pan-Arctic MPA Network. An MPA Network Expert Group (MPA-EG) is drafting a framework for review and approval by PAME. Members on the PAME expert group from the U.S. are as follows:

Elizabeth McLanahan, Co-Lead, NOAA/Office of International Affairs Lauren Wenzel, NOAA/National Marine Protected Areas Center Grantly Galland, NOAA/Office of International Affairs Laura Henson, NOAA/Office of International Affairs Catherine Coon, Bureau of Ocean Energy Management

As drafted, the framework for a pan-Arctic network of MPAs sets out a common vision for international cooperation in MPA network development and management, based on international best practices and previous Arctic Council initiatives. The purpose of the pan-Arctic MPA network, composed of individual Arctic State MPA networks, is to protect and restore marine biodiversity, ecosystem function and special natural features, and preserve cultural heritage resources. It aims to support the efforts of Arctic States to develop their own MPAs and networks and chart a course for future collaborative planning, management and actions for the conservation and protection of the Arctic marine environment. The framework offers guidance; it is not binding. Each Arctic State pursues MPA development based on its own authorities, priorities and timelines. It is important to note that for purposes of the Arctic Council pan-Arctic MPA initiative, their definition of the 'Arctic' includes the Bering Sea/Aleutian Islands and the Gulf of Alaska.

The framework is scheduled to be finalized by the PAME workgroup in February, for adoption by the Arctic Council this spring. While this draft is being reviewed internally by various agencies involved, there is no opportunity for public comment. It remains unclear whether and how this initiative overlaps with existing, domestic MPA network initiatives.

Kachemak Bay - new habitat focus area

Pursuant to NOAA's ongoing Habitat Blueprint initiative, they have selected Kachemak Bay as the latest habitat focus area (see **attachment** for details). This area is already recognized as a State of Alaska Critical Habitat Area and as a National Estuarine Research Reserve. I do not anticipate any direct implications for our Council, but wanted to make you aware of this designation.

GOA Trawl Bycatch program - analysis update

In October the Council acknowledged that its motion for GOA Trawl Bycatch Management lacks additional elements, not yet defined, that are necessary to provide a sufficiently reasonable range of management alternatives. At that time staff committed to bring back to you at this meeting a brief report on expectations for the April 2015 meeting, where the Council will next address this issue. The three main aspects of the Council's alternatives that require further definition are: Inshore cooperative formation; the relationship between the GOA Trawl Program and the Central GOA Rockfish Program; and Community Fishing Associations (CFA). In addition, the October 2014 motion did not address how the proposed program would interact with fisheries in State of Alaska waters.

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The staff work product that will be presented to the Council in April 2015 is intended to provide information that the Council needs in order to develop a suite of alternatives that meets NEPA requirements and supports the Council's goals and objectives. Staff is planning to format the April document as an EIS/RIR/IRFA, with a number of sections simply marked as "to be completed". The timeline to complete those remaining sections, and to respond to new Council direction provided at the April meeting, is tentatively aimed for October 2015. To the extent that time allows, staff will work beyond the following list and incorporate work that has already been presented in discussion paper format.

In brief, staff intends to provide the following for April 2015:

- 1. Further analysis of catch for target and secondary species that are considered for allocation. This would include sector-level (CV/CP) information on each TAC species or species group, going back to 2003. This information will be provided in a downloadable Excel spreadsheet that is posted on the NPFMC website. This information should be available in the near future, well in advance of the release of the April 2015 paper.
- 2. Analysis of allocating between 10% and 40% of a cooperative's halibut PSC and Chinook salmon PSC to the cooperative's processor member. The paper will consider how such an allocation might impact annual cooperative contract (cooperative formation) negotiations in years of high/low TACs and high/low PSC species abundance. This discussion is intended to inform deliberations on whether additional GOA Trawl Program alternatives that provide processor protections should be included.
- 3. Initial review of the proposed PSC limit reductions. Staff will discuss analytical methods that could be applied. This analysis is complicated by the fact that the Council's alternatives could change both the PSC limits and the underlying fishery management structure. Staff will work with IPHC staff to explore whether and how this GOA Trawl Program would affect (or be affected by) a shift to "total mortality accounting" of halibut removals.
- 4. Information to aid the consideration of whether it is necessary to revise maximum retainable amounts (MRA) for groundfish species that are not allocated. Historical usage of MRA species in directed fisheries will be provided.
- 5. NMFS staff will take the lead on analysis of how the GOA Trawl Program and the CGOA Rockfish Program could be administered in parallel, or jointly. Staff will identify elements in the GOA Trawl Program alternatives that may be in conflict with the existing Rockfish Program.
- 6. Additional information on sideboards: staff will continue to analyze the need to limit effort in GOA non-trawl Pacific cod fisheries and in BSAI Pacific cod fisheries. The potential need for Pacific cod sideboards in the BSAI was not described in previous staff discussion papers. Staff will also consider whether it is desirable to maintain sideboards that limit non-exempt AFA CVs' catch of unallocated species (e.g. GOA flatfish).
- 7. Further definition of proposed elements that would be required in annual cooperative reports.
- 8. Discussion of gear modification for the protection of GOA tanner crab. Gear modification has been listed as an option in the Council's alternatives dating back to April 2014, but has not yet been addressed in a GOA Trawl discussion paper.
- 9. An update on catch in state waters, and how actions under consideration by the Board of Fisheries might affect the GOA Trawl Program. Any further developments from the GOA Pollock GHL Workgroup (chaired by BOF members) would be incorporated.
- 10. An update on the development of the EIS and the staffing of the analytical team. Elements of the final package (tentatively targeted for October 2015) that are being tracked over the longer work schedule include the environmental impacts sections of the EIS and a social impact assessment (SIA).

Staff might also report on further development of the CFA and Adaptive Management concepts. Prior to April 2015, staff will primarily play a support role for stakeholders who are fleshing out those proposed options. For CFAs, the Council hopes to see further definition by stakeholders of how community eligibility would be

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determined, and on the contents of the community stability plan elements that are outlined in the October 2014 motion (Alternative 3, Element 5).

NMFS will publish a Notice of Intent (NOI) to Prepare an Environmental Impact Statement (EIS) for the Council's proposed GOA Trawl Bycatch Management Program. The NOI notifies the public that NMFS and the Council have initiated an EIS and decision-making process for the proposed management program so that interested or affected people may participate and contribute to the final decision. The NOI initiates the scoping process for the EIS by requesting written comments from the public on the range of alternatives to be analyzed, and on the environmental, social, and economic issues to be considered in the EIS. Written comments generated during this scoping process will be provided to the Council and incorporated into the EIS for the GOA Trawl Bycatch Management Program. The NOI is scheduled for publication in mid- to late December 2014. The NOI public comment period will be open for 45 days from the date of publication.

Climate and Governance Workshop Report

In previous meetings, largely related to ongoing initiatives by our Ecosystem Committee, the Council has discussed the idea of organizing a discussion, or possibly a workshop, related to climate change and ocean acidification, and how we might more explicitly prepare for an adaptive management approach. These issues overlap with development of a Bering Sea Fishery Ecosystem Plan (FEP) as well as ongoing dialogue surrounding the Arctic. **Attached** is the report from an east coast workshop held earlier this year, which provides a good reference point for our Council to more explicitly address these issues.

I was also recently contacted by Dr. Richard Merrick, Chief Scientist for NOAA Fisheries, informing me that the agency has just drafted a Climate Science Strategy to address the growing internal and external demands for climate-related information needed to fulfill agency mandates. The goal of that Strategy is to increase the production, deliver, and use of climate-related information to inform NOAA Fisheries and partner activities. They will be seeking input from the Councils and the public on this draft strategy, and have requested time (perhaps half an hour) on our February 2015 agenda to brief us on the draft Strategy. I am raising these issues here under the B-1 report, but we can discuss them further under our Staff Tasking agenda item later this week.

Joint Ocean Commission Arctic Roundtable

Somewhat related to the above, on December 4 I was in Washington, D.C. participating in an invitation only 'Arctic Roundtable' being held by the Joint Ocean Commission Initiative, which is co-Chaired by Bill Ruckelshaus and Norm Mineta. They are convening a series of rountables that "are intended to provide opportunities to identify regional approaches to major ocean challenges, learn about innovative approaches and creative solutions, and inspire state and local leadership". Attached are the overview of the joint initiative, a meeting agenda, background document on key issues, and participant list. The roundtables are being held, in part, to help develop and inform the Arctic dialogue in anticipation of the U.S. Chairmanship of the 8-nation Arctic Council beginning in 2015. They intend to hold their next Arctic Roundtable in Alaska sometime in the spring of 2015.

I am also pursuing a potential Council discussion with senior NOAA and State Department officials at an upcoming Council meeting (possibly in February), in order to update the Council on overall U.S. Arctic policy and strategy, and discuss various ways in which the Council can engage as productive partners in the developing Arctic dialogue.

Ocean Leadership Awards

Attached is an announcement and application form for the 2015 Alaska Ocean Leadership Awards, sponsored by the Alaska SeaLife Center and the Alaska Marine Science Symposium, which will be announced at the

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February 21, 2015 annual Alaska Marine Gala. NOTE that the deadline for nomination is December 8! Recall that in 2012 our Council was the recipient of the Stewardship and Sustainability Award for its ongoing work in managing North Pacific Fisheries.

Crab processor framework agreement

Based on discussion at our October meeting, representatives of the crab fishing industry, through the Intercooperative exchange, or ICE), requested time on our December agenda to update the Council regarding cooperative actions to address regional delivery requirements/exemptions. **Attached** is a written summary of their report and several representatives are on hand to brief the Council at this time.

Events this week

The Council's Enforcement Committee will meet on Tuesday, December 9 from 1 to 4 pm in the Lupine Room to develop recommendations for the Council on agenda item C-6 (GOA sablefish longline pots). The Council's Halibut Charter Implementation Committee will meet Monday, December 8 from 3 to 5 pm at the Council offices (Room 205 Old Federal Building) to prepare recommendations for agenda item C-1 (charter halibut management measures for 2015).

On Wednesday evening there will be a public, seafood traceability workshop hosted by Frequentz, a company whose mission is, in part, to reduce or eliminate seafood mislabeling in the marketplace, by providing tools to the fishing industry for tracking and tracing seafood harvest from catch to market. Given the current high interest in traceability, I offered to help spread word of this workshop to the industry and public. Please see **attached flyer**. The initial presentation and Q&A will occur here in the Aleutian Room following the Council meeting (about 5:30 pm), and will be followed by a more informal reception beginning around 6 pm, hosted by FrequentZ in the Fireweed room downstairs.

Yukon River Panel

FYI, the Yukon River Panel is meeting this week here at the Hilton Hotel. They are meeting December 7-11 and their agenda is **attached**.

Retiring colleagues

Pat Livingston, current chair of our SSC, is retiring at the end of this year. In addition to heading the Resource Ecology and Fisheries Management Division at the AFSC for the last ten years, Pat is also one of the longest standing affiliate faculty members at the University of Washington School of Aquatic and Fishery Science and has had many leadership roles in the North Pacific Marine Science Organization (PICES). Pat began her career at the Alaska Fisheries Science Center as a graduate student in 1977, working as a modeler in the Resource Ecology and Ecosystem Modeling program. Her main research focus over the last 38 years was to develop, enhance, and parameterize multispecies and ecosystem models of the North Pacific. She also developed a fish food habits program to provide a solid basis of information for those models. Since then she has worked to advance various other aspects of ecosystem approaches to fishery management such as the Ecosystem Considerations document that accompanies the stock assessments, development of ecosystem indicators, and implementing a framework for assessing the ecosystem impacts of fishing. Pat has been a member of the NPFMC SSC for 12 years and has chaired the SSC since 2004. Congratulations on an outstanding career Pat, it has been an extreme pleasure working with you and we will miss you, both at the Council venue and at many international venues in which we participated together!

Martin Loefflad, in his own words, "came to the western states at the ripe old age of 19 with the clear goal of escaping the coal mining country, long played out, of NE Pennsylvania. I worked my way thru college and a few years after by working on forest service fire crews involving a lot of travel, extreme physical fitness, and

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some interesting adventures across most of the western states, except Alaska. Alaska drew me and I applied to the University of Washington to work as an observer on the foreign fleets. They hired me and I ended up on several Russian factory trawlers in the Bering Sea. I did that work for a few years mixed in with a lot of travel. It was fortunate timing for me as the fishery was evolving rapidly and I was given the opportunity to work in the pilot program placing observers on the emerging domestic fleet. I remember the Exxon Valdez news reports as I was about to board a voluntary shore-side pollock trawler in Dutch Harbor, where I was trying to figure out how best to monitor salmon bycatch in anticipation of an expanded domestic program."

"Russ Nelson hired me to work for NMFS in 1990 as we opened our field office in Kodiak shortly after the new domestic observer program was enacted. My job was to set up that field office (as well as Dutch Harbor) and resolve operational problems with industry. I arrived with a 286 computer (loaded with Wordstar) and a FAX machine. I got to know the Kodiak industry well, and Russ gave me exposure to the Council and Council processes. I attended the first Observer Committee meeting, and I think almost every one since. After a few years in Kodiak, I took an opportunity to work in the Alaska Region doing in-season management just as the CDQ program was emerging and NMFS was starting to consider how to handle the increasing demand for more data, better data, faster data. I remember floating the un-heard of concept called 2 observers and sample stations. This was also about the time that EXCEL was invented. A few years in Juneau led to another opportunity to return to the Observer Program working out of Seattle to help out Bill Karp, who had taken over for Russ when Russ moved to the survey group (RACE)."

"Bill and I did a lot of work together, I learned a lot, kept of good working relationships with my friends in the Region, and helped guide development of our National Observer Program office. I had the opportunity to guide the development of a lot of interesting projects including our big investments in IT which revolutionized how we handle data. Mostly I did this by hiring excellent people who were smarter than me. On the side (nights and weekends) I continued to build skills by taking public administration classes, which really helped me prepare for the Director role I've now had for the past 7 years. You folks know most of that history. We, together, have gotten a lot done, first on salmon bycatch, then on observer restructuring and a myriad of other projects (little things, like EM). I joke with staff that the Observer Program director's job is like finals week every day, and you never know what the test is going to be on. It is not an easy job, but it is an important and very interesting job. In parting, I have worked hard to leave you with a good infrastructure, good information you can rely on, and good people in place who will keep calm and carry on."

"My first impression as an observer was this:

NMFS - good people

Industry - good people, interspersed with some interesting characters

The fisheries - hugely productive, and a tremendous opportunity to manage it well."

To add to Martin's own words, I would like to congratulate him on an outstanding career and particularly in leading us all through the recent observer program restructuring, in my opinion one of the greatest fisheries management challenges in recent history.

One more kudos

As an example of the caliber of people working on the Council's staff, in a ceremony on November 1 of this year Mr. Jon McCracken was promoted to Chief Master Sergeant in the Alaska Air National Guard. Jon has been a member of the Alaska Air National Guard for over 10 years working as an intelligence analyst. In September of this year, Jon was selected to serve as the Chief Enlisted Manager for the 176 Wing, Operations Support Squadron, which is composed of more than 100 personnel. As many of you may recall, Jon has completed 3 Tours of Duty, two in Afghanistan for 6 months (2003 and 2005), and one at the Horn of Africa for

Agenda Date 12/8/2014 Agenda Number:B1 4 months in 2007. I would like to extend both appreciation, and well-deserved congratulations to Jon!!!