



# NOAA FISHERIES SERVICE FACT SHEET



## Answers to Commonly Asked Sector Management Questions

Regulated Species: Groundfish

### NOAA FISHERIES SERVICE

During its June meeting, the New England Fishery Management Council approved implementation of 17 new groundfishing sectors and modifications to the Georges Bank (GB) cod hook and the GB cod fixed gear sectors for fishing year 2010. The following summary is meant to provide guidance and answers to questions about sectors, and the current status of sector implementation. Amendment 16 still has to be approved by the Secretary of Commerce. Also, it must be implemented through the rulemaking process, which includes an opportunity for further public comment on these measures, so there may yet be changes made to Amendment 16 provisions.

A full copy of Amendment 16, including the Draft Environmental Impact Statement is available from the New England Fishery Management Council (telephone 978-465-0492, website: <http://www.nefmc.org>).

### General Questions

#### Q: What is a “sector”?

**A:** The Council’s sector policy defines a “sector” as a group of persons holding limited access vessel permits under the fishery management plan (FMP) through which the sector is being formed, who have voluntarily entered into a contract and agreed to certain fishing restrictions for a specified period of time, and which has been granted a total allowable catch (TAC) in order to achieve objectives consistent with applicable FMP goals and objectives. Essentially, a sector is a group of permit holders who agree, under contract, to cooperate with one another and to follow certain rules in order to harvest their collective allocation.

#### Q: How are sectors formed?

**A:** To form a sector you must have three or more people who don’t have ownership interests in one another’s operations. If you are interested in forming a sector, the first step is to notify the Council, which must approve the formation of your sector. If the sector is approved, then the sector is required to submit an operations plan to NOAA Fisheries Service by September 1 for the next fishing year, beginning the following May 1. The operations plan describes how the sector will conduct its fishing activities, what exemptions

to regulations it will be subject to, how data will be collected and reported, etc. If the operations plan is approved by NOAA Fisheries Service, the sector would be eligible to receive an allocation of fish for the next fishing year.

#### Q: What is the difference between a Northeast multispecies sector and an Individual Fishing Quota (IFQ)?

**A:** A Northeast multispecies sector is a voluntary group of vessels that is allocated a total allowable catch (TAC) for certain species managed under the Northeast Multispecies FMP on an annual basis, depending on the membership of that sector and their catch histories. A TAC allocated to a sector under the plan is a management restriction on a group of vessels participating in a sector during a given fishing year, not a permit to harvest fish that can be held for exclusive use by a person. Unlike an IFQ fishery, there is no individual vessel allocation made by NOAA Fisheries Service, nor is there a permanent allocation that could be fished or transferred.

#### Q: If I want to fish for Northeast multispecies, do I have to join a sector?

**A:** No. Vessel owners are not required to join a sector. Each fishing year a vessel

owner may choose to join a sector or not. Sectors are self-selecting and voluntary, which means that the members of a sector may decide who can join and who cannot join.

#### Q: Are sectors subject to trip limits?

**A:** Trip limits that are in place currently will not be carried over into sectors. However, sectors would have trip limits for some species in the 2010 fishing year. Specifically, landings would be prohibited for southern New England winter flounder, windowpane flounder, ocean pout and Atlantic wolffish. For Atlantic halibut, there would be a one-fish per trip limit.

Sectors also can request other regulatory exemptions for consideration by NOAA Fisheries Service.

#### Q: Are there joint liability issues if you decide to participate in a sector?

**A:** Yes. Under Amendment 16, sector members may be held jointly liable for violations of the following requirements: Annual Catch Entitlement (ACE) overages, discarding of legal-sized fish, and misreporting of catch (including landings and discards).

(cont’d on next page)

**Q: How do I become eligible to join a sector?**

**A:** All vessels with a federal limited access groundfish permit are eligible to join a groundfish sector, including Handgear A (HA) and those with a permit in Confirmation of Permit History (CPH) or history retention.

**Q: Are there any regulatory exemptions for vessels who participate in a sector?**

**A:** Yes, the Council voted to adopt several universal exemptions for all vessels participating in a sector. This means that sector vessels would not be subject to:

- ◇ Trip limits on allocated stocks,
- ◇ Groundfish DAS restrictions,
- ◇ GB Seasonal Closure Area,
- ◇ Portions of the Gulf of Maine (GOM) Rolling Closure Areas (see adjacent table),
- ◇ 6.5" mesh requirement when using a separator or Ruhle trawl on GB (i.e., sector vessels can use 6" mesh codends for these gears).

**Q: What happens if I want to join a sector and ultimately that sector decides not to accept me?**

**A:** Each sector decides who may participate in that sector. If you have been included on a sector's roster and that sector subsequently chooses not to admit you, or your vessel is otherwise ineligible to participate in that sector, your vessel would still be allowed to fish in the common pool. In subsequent fishing years, you may attempt to join the sector again, or another sector. Or, you may apply to create a new sector.

**Q: If I don't join a sector (i.e., if I remain in the common pool), will I be able to use my Days-at-Sea (DAS) when it is to my advantage?**

**A:** Vessels that remain in the common pool would be required to follow all implementing regulations under Amendment 16 to the Northeast Multispecies Fishery Management Plan. The DAS restrictions modified under Amendment 16, if approved,

Rolling Closures	Current Closures	Proposed Amendment 16 Universal Exemption from Closures for Sector Vessels
Area I March 1 – 31	Blocks 121, 122, 123	All blocks open to sector participants
Area II April 1 – 30	Blocks 121, 122, 123, 124, 125, 129, 130, 131, 132, 133	Blocks 121, 122, 123, 129, 130, 131 open to sector participants (Specific exemption would still be needed for blocks 124, 125, 132, 133)
Area III May 1 – 31	Blocks 124, 125, 129, 130, 131, 132, 133, 136, 137, 138, 139, 140	Blocks 124, 125, 129, 130, 131, 136, 137 open to sector participants (Specific exemption would still be needed for blocks 132, 133, 138, 139, 140)
Area IV June 1 – 30	Blocks 132, 133, 139, 140, 142, 143, 144, 145, 146, 147, 152	Blocks 132, 133, 142, 143, 144 open to sector participants (Specific exemption would still be needed for blocks 139, 140, 145, 146, 147, 152)
Area V October 1 – November 30	Blocks 124, 125	All blocks open to sector participants

would include a 50% DAS reduction from 2006 levels and 24-hour DAS counting (i.e., any DAS or part of DAS would be counted as 24 hours).

For more information on regulations proposed under Amendment 16, please visit the New England Fishery Management Council website at <http://www.nefmc.org/>.

**Q: Can a sector disband during the fishing year?**

**A:** No. If fishermen opt to fish in a fishing sector, they are making the commitment to remain in that sector for the duration of that fishing year. However, they do have the option to leave the sector and join another sector or the common pool in the subsequent fishing year.

**Q: Is it too late to join a sector for 2010?**

**A:** No, but sectors must submit their final operations plans for 2010 to NOAA Fisheries Service by September 1, 2009. This means if you are interested in joining a sector for 2010, you must contact a sector manager to request membership in that sector. However, in order to meet the September 1, 2009, deadline, some sectors may have already closed their sector rosters for fishing year 2010.

### Determining Sector Shares

**Q: How is an individual sector member's share of the sector allocation determined?**

**A:** When you join a sector, you bring with (cont'd on next page)

you a potential sector contribution (PSC). Under Amendment 16, this PSC would be based on your landings from 1996-2006 for allocated multispecies stocks. However, people committed to existing sectors as of March 1, 2008, have their GB cod PSC based on landings from 1996-2001. For all others, GB cod PSC is based on 1996-2006.

**Q: What happens if I did not own my federally permitted vessel for the entire qualification period?**

**A:** When a vessel with a federal limited access (LA) permit changes ownership, the permit history transfers with the permit. The current owner of a vessel issued a LA permit owns the entire historical limited access landings history of that permit. Dealer-reported landings for the entire qualifying period of each LA permit participating in a sector contributes to that sector's allocation.

**Q: How is a sector's share of the total allowable catch of a groundfish stock determined?**

**A:** Individual PSCs would be used to determine the ACE for each stock for each sector. Sectors would be allocated ACE for all stocks except halibut, ocean pout, windowpane flounder, wolffish, and southern New England/Mid-Atlantic winter flounder. Sectors also would be allocated ACE for Eastern U.S./Canada Area cod and haddock proportional to the sector's overall share of GB cod and haddock stocks. The sector's ACE is the percentage of the available stock quota that is allocated to the sector. The Council will decide on quotas later this year.

**Q: What happens when a sector's ACE is reached for a specific stock?**

**A:** Once a sector's ACE for a specific stock is reached, all vessels participating in that sector would be prohibited from fishing in that specific stock area until such time that the sector could obtain additional ACE from another sector through the transfer program.

**Q: Can ACE be transferred?**

**A:** Yes, with NOAA Fisheries Service's approval ACE can be transferred between sectors.

**Q: What happens if a sector exceeds its quota in a given fishing year?**

**A:** The overage(s) would be deducted from the next fishing year's allocation(s) for those stock(s) for which the overage(s) occurred. Because sectors are required not to exceed their quota, a sector that does so could be subject to enforcement penalties.

**Q: What happens if a sector disbands and it had an overage?**

**A:** If a fishing vessel from the disbanded sector opts to join another sector, there would be a pound-for-pound deduction made to the vessel's "new" sector contribution. If the vessel joins the common pool instead, it would receive a proportionate DAS reduction.

**Q: What happens to your PSC if you decide to leave a sector and either join another sector or join the common pool?**

**A:** If you decide to leave your sector at the end of the fishing year to join another sector for the next fishing year, you take your PSC with you. If you join the common pool your PSC is converted to a DAS allocation. However if you leave your sector after the start of the fishing year, you may not fish for groundfish for the remainder of that fishing year. To participate in a sector you must be on their roster by September 1 of the prior year.

**Q: How does changing membership affect individual sectors?**

**A:** Each year a sector must develop a new operations plan and an Environmental Assessment for the coming fishing year. The operations plan includes a roster of prospective sector members. Upon approval of the operations plan, NOAA Fisheries Service will calculate ACEs for the new fishing year based on the fishing history of the vessels on the sector's roster.

## Sector Requirements

**Q: What information must be included in a sector's operations plan?**

**A:** The Council, through Amendment 16, is proposing that sector operations plans include the following information:

- ◇ List of all vessels comprising the sector, regardless of whether they intend to fish,
- ◇ Original distribution of catch history,
- ◇ Plan for consolidation, including redistribution of ACE,
- ◇ Rules for entry to and exit from the sector,
- ◇ Procedure for notifying NOAA Fisheries Service if a member is expelled,
- ◇ Application of joint and several liability,
- ◇ List of all federal and state permits held by vessels participating in the sector,
- ◇ Exemptions (beyond the universal exemptions) being requested,
- ◇ Information about potential redirection of effort,
- ◇ Ports where members with landings will land their fish,
- ◇ Description of how groundfish will be avoided when fishing in other fisheries where groundfish are taken as bycatch,
- ◇ Detailed information about overage penalties or other actions if ACE exceeded,
- ◇ Plan and analysis of how sector will avoid exceeding ACEs, ACE thresholds and for notifying NOAA Fisheries Service when thresholds are reached,
- ◇ Details about discard monitoring,
- ◇ Information about its dockside and at-sea monitoring programs and a list of potential service providers, if the sector chooses to adopt an at-sea monitoring program (NOTE: all sectors must adopt an at-sea monitoring program starting in 2012).

(cont'd on next page)

**Q: Is there any additional information that must be included in a sector's operations plan pertaining to dockside monitoring beyond those requirements in Amendment 16?**

**A:** Yes, sector operations plans should also include a description of how data would flow from information collected by dockside monitors, and dockside monitoring deployment schemes demonstrating at least 50% random coverage (how to decide which trips are monitored, and who makes that decision), and notification procedures.

**Q: May individual sector members use more than one gear type in a sector (e.g., gillnet and trawl)?**

**A:** At this time, the Council is not proposing restricting the number of types of gear that could be used by a single sector. Each sector's operations plan must specify the rules under which the sector will operate, including permitted and prohibited gear types. The Environmental Analysis of a sector's operations must include analysis of impacts of all the gears that the sector will employ.

**Q: What are the reporting requirements for sector managers?**

**A:** Sectors must report landings/discard information to NOAA Fisheries Service weekly. NOAA Fisheries Service will audit sector catch to ensure monitoring accuracy.

**Q: What are the dockside monitoring requirements?**

**A:** For 2010, the Council is proposing requiring 50% dockside monitoring coverage, which would be reduced to 20% coverage thereafter. Dockside monitors observe vessel landings at the dealer and validate the information on the dealer's weigh-out slip.

**Q: Who is responsible for hiring dockside monitors?**

**A:** Sectors are responsible for hiring dockside monitors, but NOAA Fisheries Service will provide standards that vendors must

meet (these are contained in the Amendment 16 document). Funding is available to cover some or all of the costs of dockside monitors for 2010.

**Q: What are the at-sea monitoring requirements?**

**A:** At-sea monitors would collect data on vessel operations and discards. At-sea monitoring would not be required until 2012, but sectors may opt for implementing an at-sea monitoring program before then. In the absence of at-sea monitoring, an assumed discard rate will be assigned to the sector.

**Q: What are the monitoring requirements for discards?**

**A:** Sector vessels would be required to retain all their catch of legal size fish. For vessels with an at-sea monitoring program in place, discard rates would be determined based on at-sea monitoring data. If a trip is covered by a NOAA Fisheries Service observer, regardless of whether the sector has an at-sea monitoring program in place, the actual observed discards from that trip will be used. For sectors without an at-sea monitoring program, discard rates would be based, where possible, on a sector-specific assumed discard rate, by species, by stock that would be calculated by NOAA Fisheries Service. Sectors may implement an at-sea monitoring program in 2010 or 2011, but all sectors are required to have an at-sea monitoring program in place by 2012.

measures in Amendment 16, and a final rule will then be prepared and published to implement the approved measures, which would become effective at the beginning of fishing year 2010.

**Q: What do sector managers have to do before the start of the fishing year?**

**A:** Sector managers must work with their prospective members to establish a contractual agreement relating to their organization, procedures and cooperation. Each sector must prepare and submit to NOAA Fisheries Service an operations plan, sector contract and environmental assessment. Also, each sector must begin implementing the data systems necessary to compile information on every trip taken by vessel members, to track the sector's quota balances, and to report to NOAA Fisheries Service weekly.

**Q: What do eligible groundfish permit holders have to do to help get sectors up and running?**

**A:** Eligible groundfish permit holders need to examine their private business situation and make decisions about Fishing Year 2010. Each permit holder has to decide whether to fish in the common pool or to join a sector and which sector is the best match for the permit holder's needs and circumstances. Permit holders joining a sector must sign the sector contract and provide the sector representative with the necessary owner information for the Operations Plan.

## What's Next

**Q: What has to be done by NOAA Fisheries Service between now and the start of the fishing year to implement sectors?**

**A:** Now that the Council has approved Amendment 16, NOAA Fisheries Service must prepare a proposed rule and publish it in the Federal Register for public comment. The Amendment 16 document and its associated analyses will also be made available to the public for comment.

After public input, NOAA Fisheries Service will then make a decision whether to approve, disapprove, or partially approve the

For more information on sectors, please visit our website

<http://www.nero.noaa.gov/sfd/sfd/multisector.html>  
NOAA Fisheries Service

Northeast Regional Office  
55 Great Republic Drive  
Gloucester, MA 01930  
Phone: (978) 281-9300  
Fax: (978) 281-9333

<http://www.nero.noaa.gov/nero/>

