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October 22, 2020

Mr. Chris Oliver Assistant Administrator NOAA Fisheries 1315 East-West Highway Silver Spring, MD 20910 VIA email: chris.w.oliver@noaa.gov

Dear Chris:

At its October meeting, the North Pacific Fishery Management Council approved a prioritized list of recommended actions "to reduce burdens on domestic fishing and to increase production within sustainable fisheries" as required under Section 4 of <u>Executive Order 13921</u>.

The highest priority actions are *Non-regulatory actions related to domestic production*, including prioritizing internal NOAA funding for groundfish surveys off Alaska and for stock assessments, as well as prioritizing internal NOAA funding for observer coverage and electronic monitoring. The Council stressed that maintaining our historical time series for stock assessment surveys increases certainty about stock status, which is the largest driver in increasing catch limits and therefore increasing domestic production within sustainable fisheries.

Additional priority items include:

*Council regulatory actions* – Implement and regulate pelagic trawl electronic monitoring; squid/sculpin processing restrictions; BSAI trawl CV Pacific cod LAPP; BSAI pot cod CP action; and continued evaluation to remove recordkeeping and reporting requirements or regulations that are no longer necessary.

*Non-regulatory actions related to U.S. seafood competitiveness* – Increase marketing funds, promotion of sustainable US seafood, and science-based consumption advice; improve trade policy and foreign market access for domestic seafood; and support refinancing of fisheries buyback loans at lower rates.

*NOAA policy* – Remove Allocation Review Policy Directive 01-119; eliminate review process for approval of Council SOPPs as described by Procedural Directive 01-115-01.

These priority actions are included in the attached table based on the template developed by NMFS staff. Although the spreadsheet includes a proposal for initiating each recommended action where applicable under Council authority, I anticipate providing an update on the status of discussions, steps taken, and expected timeline for Council discussion and decisions prior to the required deadline of May 6, 2021.

Sincerely,

David Witherell Executive Director

Enclosure (1)

cc: Ms. Kelly Denit (NMFS) Ms. Morgan Corey (NMFS) North Pacific Fishery Management Council's prioritized list of recommended actions pursuant to Executive Order 13921.

Council	Priority	Action type (e.g. Changes to Regulations, Orders, Guidance Documents, Other Agency Actions)	Title of Action	Relevant CFR Citation under Title 50 (if applicable)	Description of recommended action(s)	Rationale of how the recommended action(s) reduces burdens on domestic fishing and increases production within sustainable fisheries	Council proposal for initiating each recommended action(s) within 1 year of the date of this order (i.e., by May 7, 2021)
NPFMC	Highest	Agency Action	NOAA funding for groundfish surveys off Alaska and stock assessments	n/a	Prioritize internal NOAA funding to fund full suite of NOAA groundfish surveys in federal waters off Alaska for 2021 and beyond, and resulting stock assessments. This is a core data set for stock assessments, understanding climate effects, and ecosystem management, and should include the Northern Bering Sea as an annual survey for the near-term.	Regular stock assessment surveys increase certainty about stock status which is the largest driver in increasing catch limits and therefore increasing domestic production within sustainable fisheries.	Not Applicable as this is an agency action. The Council is in regular communication with the AFSC regarding survey plans, however the increasing costs of the surveys, without concomitant increases in the budget, has created a dire situation.
NPFMC	Highest	Agency Action	NOAA funding for observer coverage and electronic monitoring	n/a	Prioritize internal NOAA funding to supplement the North Pacific Observer Program for observers and electronic monitoring.	Actions that increase certainty and data in our management process serve to improve management of domestic seafood production and ability to meet optimum yield objectives in the Magnuson Stevens Act. While the North Pacific fishery participants have been the primary funders of monitoring costs for decades, supplemental funds toward both North Pacific observers and electronic monitoring are needed.	Not Applicable as this is an agency action. In October 2019 Council took action to increase the existing industry observer fee that supports deployment of observers and electronic monitoring (EM) systems from 1.25% to 1.65% of ex-vessel revenues for those vessels that are not required to carry an observer 100% of their trips. While the Council is actively examining ways to reduce costs and optimize coverage to collect the most reliable fishery data under the fixed revenues derived from the fee, observer costs are projected to increase in the future while fishery revenues are declining. (Note the majority of the North Pacific fisheries catch is required to be observed 100%, also paid wholly by industry.)

NPFMC	High	Regulatory Action	Trawl electronic monitoring	50 CFR 679.51	_	This action has the potential to increase efficiency and reduce cost of monitoring, and improve bycatch accounting on pelagic trawl catcher vessels fishing for pollock in the Gulf of Alaska and Bering Sea/Aleutian Islands	Pelagic trawl fisheries off Alaska are currently operating under an exempted fishing permit until information is sufficient to support analysis and rulemaking. The Council is looking to initiate a regulatory analysis in June 2020, with adoption of alternatives to be evaluated.
NPFMC	High	Regulatory Action	Squid/sculpin processing restrictions	50 CFR 679.20(i)	processing and sale of squids and sculpins, unless as meal.	Allowing the processing and sale of incidental retained catch of these species into higher value products will reduce discards and increase seafood value/production. Squid in particular, which are caught incidentally in North Pacific pollock fisheries, have traditionally been an important domestic bait source for the longline fleets.	In October 2020, the Council selected a preferred alternative to allow the processing and sale of squids and sculpins. Getting these regulations in place in a timely manner is a high priority.
NPFMC	High	Regulatory Action	BSAI trawl CV Pacific cod LAPP		Develop a limited access privilege program for the trawl catcher vessel fleet that targets Pacific cod in the Bering Sea/Aleutian Islands.	A catch share program for this fishery will eliminate the race for fish, which in turn creates operational efficiencies, and also minimizes bycatch, improves safety, and maximizes value/production of BSAI Pacific cod. This both increases production and reduces burdens on this fleet.	The Council is scheduled for preliminary initial review of this analysis in December 2020.
NPFMC	High	Regulatory Action	BSAI pot cod CP action			Controlling the number of potential participants in this fishery creates efficiencies for domestic fishermen historically dependent on this fishery.	The Council is scheduled for initial review of this analysis in December 2020.
NPFMC	High	Regulatory Action	Continued evaluation to remove recordkeeping and reporting requirements or regulations that are no longer necessary	(various	Remove or simplify recordkeeping and other requirements or regulations that are no longer needed.	Any unnecessary recordkeeping or regulation has a financial burden on the fleet, so removal of these requirements can reduce costs and increase efficiencies for domestic fishermen and processors.	The Council is currently evaluating its economic data reporting requirements to potentially eliminate or simplify the reporting requirements in cases where data are unnecessary. Additional requests from the public to address other unnecessary recordkeeping or regulations are considered at every meeting or during program reviews, and further analyzed when necessary.

NPFMC	High	Non-regulatory actions related to U.S. seafood competitiveness	Increase marketing funds, promotion of sustainable US seafood, and science-based consumption advice	n/a	prioritizes fisheries marketing and promotion efforts in soliciting and approving applications; (2) undertaking assertive actions to communicate the sustainability of US fisheries, through its Fish Wise program and other public relations efforts; (3) consider the MAFAC recommendation to launch a National		Not applicable as this is an agency action. This could take the form of NOAA (1) ensuring that any available S-K funding prioritizes fisheries marketing and promotion efforts in soliciting and approving applications; (2) undertaking assertive actions to communicate the sustainability of US fisheries, through its Fish Wise program and other public relations efforts; (3) consider the MAFAC recommendation to launch a National Seafood Council; and (4) urge the USDA/HHS to ensure their seafood consumption advice is based on recent scientific evidence.
NPFMC	High	Non-regulatory actions related to U.S. seafood competitiveness	Improve trade policy and foreign market access for domestic seafood	n/a	across the Administration to facilitate resolution of trade barriers and make exports of domestic seafood more competitive. This could take the form of ensuring that other agencies, including USTR and ITA, prioritize efforts to (a) address how US seafood competes against other seafood-producing nations and (b) secure more favorable trade terms (i.e., removal of tariffs on seafood exports or the assurance of reciprocity in trade	U.S. seafood faces significant trade barriers relative to foreign seafood producers when competing in global markets (e.g., China, EU, Japan, Russia). Efforts to maintain and expand value for U.S. seafood are hindered by unfair trade conditions in key foreign markets, while foreign markets enjoy lower tariffs when importing seafood into the U.S. Removing trade barriers will increase the competitiveness of U.S. seafood in foreign and domestic markets and increase the value of the U.S. seafood industry.	Not applicable as this is an agency action. NOAA priority action in working with the Office of United States Trade Representative and the International Trade Administration.
NPFMC	High	Non-regulatory actions related to U.S. seafood competitiveness	Allow refinancing of fisheries buyback loans		To increase competitiveness of US fisheries, allow refinance of fisheries buyback loans.	Many buyback loans have interest rates substantially above market rates, imposing additional (and unnecessary) costs and burdens on domestic fishermen. For example, public testimony in October 2020 noted that the fishing capacity reductions loans for Alaska fisheries range from an interest rate of 4.57% to 6.97%. Lowering to the current Treasury rate of around 1.3% for the remaining \$135M balance on these loans would put millions of dollars back in the pockets of the fishing industry to maintain their businesses.	Not applicable. NOAA Fisheries could work with Congress to make this happen.

NPFMC	High	NMFS Policy	Allocation Reviews: Policy Directive 01- 119	n/a	Remove the unnecessary and burdensome policy.	Allocation reviews can be undertaken at any time a Council deems necessary, and LAPP allocation reviews are already on a mandated schedule under the Magnuson Stevens Act. The effect of removal is to build efficiencies and save staff and Council time by undertaking allocation reviews only when warranted. This allows more time to be spent evaluating and implementing actions to reduce burdens and increase production.	Not applicable as this is an agency action.
NPFMC	High	NMFS Policy	Approval of Council SOPPs: Procedural Directive 01-115-01	n/a	NMFS to formally approve the Council SOPP and publish it in the federal register every time it is amended	Removal of this regulation will save staff and Council administrative time, which allows for more time to be spent on actions to reduce burdens and increase production in the fisheries.	Not applicable as this is an agency action.