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DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[RTID 0648-XX057]

International Affairs; U.S. Fishing Opportunities in the Northwest Atlantic Fisheries Organization Regulatory Area

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notification of U.S. fishing opportunities.

SUMMARY: We are announcing 2020-2024 fishing opportunities in the Northwest Atlantic Fisheries Organization Regulatory Area. This action is necessary to make fishing privileges in the Regulatory Area available on an equitable basis to the extent possible. The intent of this notice is to alert U.S. fishing vessels of these fishing opportunities, to relay the available quotas available to U.S. participants, and to outline the process and requirements for vessels to apply to participate in this fishery. Allocation of these fishing privileges would be for five years, unless the approved vessel(s) are unable to successfully utilize the available quotas or the privilege is otherwise revoked.

DATES: These fishing opportunities are effective **[INSERT DATE 15 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** through December 31, 2024. Expressions of interest regarding fishing opportunities in NAFO will be accepted through **[INSERT DATE 15 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: Expressions of interest regarding U.S. fishing opportunities in NAFO should be made in writing to Michael Pentony, U.S. Commissioner to the Northwest Atlantic Fisheries Organization (NAFO), NMFS Greater Atlantic Regional Fisheries Office, by emailing Moira Kelly, Senior Fishery Program Specialist, at *Moira.Kelly@noaa.gov*.

Information relating to chartering vessels of another NAFO Contracting Party, transferring NAFO fishing opportunities to or from another NAFO Contracting Party, or general U.S. participation in NAFO is available from Patrick E. Moran, NMFS Office of International Affairs and Seafood Inspection, e-mail: *Pat.Moran@noaa.gov*.

Additional information about NAFO Conservation and Enforcement Measures and the High Seas Fishing Compliance Act Permit required for NAFO participation is available from Shannah Jaburek, NMFS Greater Atlantic Regional Fisheries Office, 55 Great Republic Drive, Gloucester, MA 01930 (phone: 978-282-8456, fax: 978-281-9135, e-mail: *Shannah.Jaburek@noaa.gov*) and online from NAFO at *https://www.nafo.int*.

FOR FURTHER INFORMATION CONTACT: Moira Kelly, (978) 281-9218.

SUPPLEMENTARY INFORMATION:

General NAFO Background

The United States is a Contracting Party to the Northwest Atlantic Fisheries Organization (NAFO). NAFO is an intergovernmental fisheries science and management body whose convention applies to most fishery resources in international waters of the Northwest Atlantic, except salmon, tunas/marlins, whales, and sedentary species such as shellfish. Currently, NAFO has 12 contracting parties from North

America, Europe, Asia, and the Caribbean. NAFO's Commission is responsible for the management and conservation of the fishery resources in the Regulatory Area (waters outside the Exclusive Economic Zones (EEZ)). Figure 1 shows the NAFO Regulatory Area.

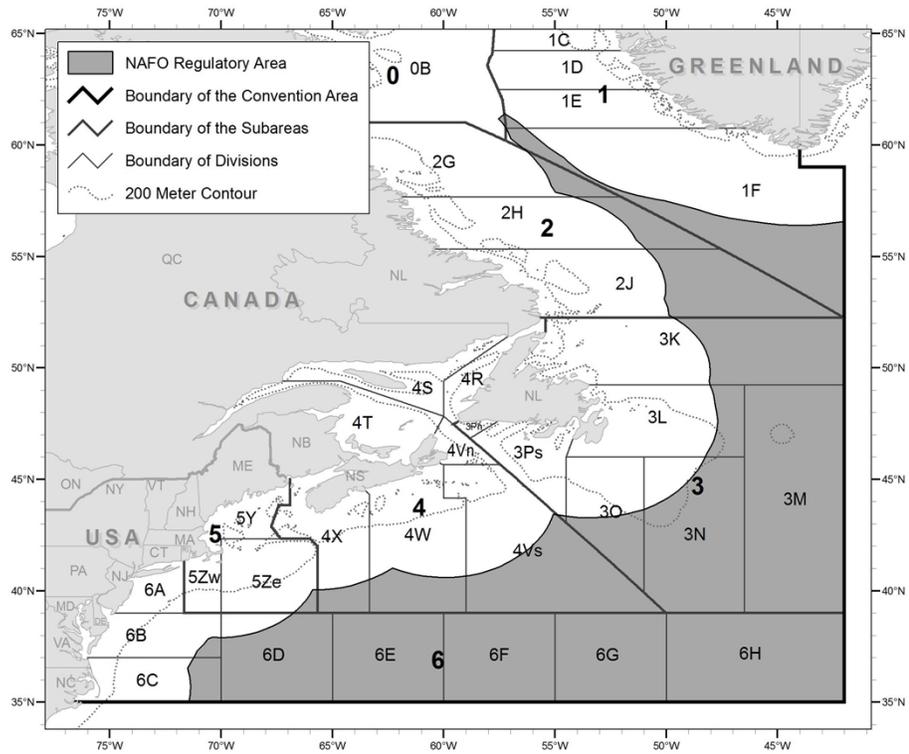


Figure 1. NAFO Convention Area including Statistical Subareas, Divisions, and Subdivisions.

As a Contracting Party within NAFO, the United States may be allocated catch quotas or effort allocations for certain species in specific areas within the NAFO Regulatory Area and may participate in fisheries for other species for which we have not received a specific quota. For most stocks for which the United States does not receive a specific allocation, an open allocation, known as the “Others” allocation under the Convention, is shared access between all NAFO Contracting Parties.

Additional information on NAFO can be found online at <https://www.nafo.int/About-us>. The NAFO Conservation and Enforcement Measures (CEM) that specify the fishery regulations, total allowable catches (TAC, quotas), and other information about the fishery program is available online at:

<https://www.nafo.int/Fisheries/Conservation>. NAFO updates the CEM annually.

This notice announces the fishing opportunities available to U.S. vessels in NAFO regulatory waters, including specific stocks for which the United States has an allocation under NAFO or through arrangements with other Contracting Parties and fishing opportunities under the “Other” NAFO allocations. This notice also outlines the application process and other requirements for U.S. vessels that wish to participate in the 2020-2024 NAFO fisheries. Allocations, including the “Others” quotas, may vary based on decisions made at the NAFO Annual Meeting. Substantial changes in allocations may facilitate additional solicitations of fishing interest, which would be announced in the **Federal Register**, as necessary.

NAFO Fishing Opportunities Available to U.S. Fishing Vessels

The principal species managed by NAFO are Atlantic cod, yellowtail and witch flounders, Acadian redfish, American plaice, Greenland halibut, white hake, capelin,

shrimp, skates, and *Illex* squid. NAFO specifies conservation measures for fisheries on these species occurring in its Regulatory Area, including TACs for these managed species that are allocated among NAFO Contracting Parties.

The United States receives annual quota allocations at the NAFO Annual Meetings for two stocks to be fished in the subsequent year (Division 3M Redfish and Subareas 3 and 4 *Illex* squid). For 2020, the United States was allocated 69 metric tons (mt) of 3M redfish and 453 mt of Subareas 3 and 4 *Illex* squid. The United States was also allocated 25 fishing days for the Division 3M shrimp fishery this year. NAFO is currently undertaking a process to move the 3M shrimp fishery away from days-at-sea to a quota-management scheme. In addition, the United States has agreed to receive a transfer of 1,000 mt of NAFO Division 3LNO yellowtail flounder from Canada's 2020-2024 quota allocations, consistent with a recent bilateral arrangement. This transfer arrangement may be modified or discontinued by either the United States or Canada prior to October 1 of each year. The Greater Atlantic Regional Fisheries Office will announce any changes to the arrangement, as necessary.

Fishing in the NAFO Regulatory Area requires substantial investment by the vessel owners. In recent years, NMFS has allocated U.S. fishing opportunity on an annual basis. However, it is often difficult for vessels to make sufficient market arrangements given the uncertainty of an annual allocation process. In addition, a recently negotiated bilateral arrangement with Canada provides for a transfer of 1,000 mt of 3LNO yellowtail flounder for 5 years. As such, we intend to allocate U.S. fishing privileges for the duration of the yellowtail flounder arrangement (through December 31, 2024) for all NAFO species the United States is authorized to fish for, except 3M

shrimp, which will be allocated for just 2020. The Greater Atlantic Regional Fisheries Office will announce future allocations of 3M shrimp based on further discussions of the management scheme within NAFO. If any approved vessel is unable to successfully utilize awarded fishing privileges, transfers to other approved vessels or additional solicitations of interest may be warranted.

Additional fishing opportunities may be available to U.S. vessels for stocks where the United States has not been allocated quota through the “Others” allocation, as noted in Annex I.A of the CEM. For 2020, the Others quotas are as follows:

Table 1. 2020 NAFO Others allocations (mt, live weight).

Species	NAFO Division	Others Quota
Cod	3M	34
Redfish	3LN	109
	3M	124
	3O	100
Yellowtail Flounder	3LNO	85
Witch Flounder	3NO	12
White Hake	3NO	59
Skates	3LNO	258
<i>Illex</i> squid	Squid 3, 4 (Sub-Areas 3+4)	794

The United States shares the Others quota with other NAFO Contracting Parties and access is on a first come, first served basis across all Contracting Parties. Directed fishing is prohibited by NAFO when the Others quota for a particular stock has been fully harvested.

Additional directed quota for these and other stocks managed within the NAFO Regulatory Area could be made available to U.S. vessels through industry-initiated chartering arrangements or government-to-government transfers of quota from other NAFO Contracting Parties. If such additional quota becomes available, GARFO may

publish additional solicitations of interest.

U.S. vessels participating in NAFO may also retain bycatch of NAFO managed species to the following maximum amounts as outlined in Article 6 of the CEM. The percentage, by weight, is calculated as a percent of each stock of the total catch of species listed in Annex I.A (*i.e.*, the NAFO managed stocks previously listed) retained onboard from the applicable division at the time of inspection, based on logbook information:

1. Cod, Division 3M: 1,250 kg or 5 percent, whichever is more;
2. Witch Flounder, Division 3M: 1,250 kg or 5 percent, whichever is more;
3. Redfish, Division 3LN: 1,250 kg or 5 percent, whichever is more;
4. Cod, Division 3NO: 1,000 kg or 4 percent, whichever is more;
5. American plaice: While conducting a directed fishery for yellowtail flounder in Divisions 3LNO: 15 percent of American plaice; otherwise, 1,250 kg or 5 percent, whichever is greater; and

6. For all other Annex I.A stocks where the United States has no specific quota, the bycatch limit is 2,500 kg or 10 percent, unless a ban on fishing applies or the quota for the stock has been fully utilized. If the fishery for the stock is closed or a retention ban applies, the permitted bycatch limit is 1,250 kg or 5 percent.

Opportunities to fish for species not listed above (*i.e.*, species listed in Annex I.A of the NAFO CEM and non-allocated on non-regulated species), but occurring within the NAFO Regulatory Area, including Atlantic halibut, may also be available. U.S. fishermen interested in fishing for these other species should contact the NMFS Greater Atlantic Regional Fisheries Office (see **ADDRESSES**) for additional information.

Authorization to fish for such species will include permit-related conditions or restrictions, including but not limited to, minimum size requirements, bycatch-related measures, and catch limits. Any such conditions or restrictions will be designed to ensure the optimum utilization, long-term sustainability, and rational management and conservation of fishery resources in the NAFO Regulatory Area, consistent with the Convention on Future Multilateral Cooperation in the Northwest Atlantic Fisheries as well as the Amendment to the Convention on Future Multilateral Cooperation in the Northwest Atlantic Fisheries, which has been adopted by all NAFO Contracting Parties.

Applying for these Fishing Opportunities

Expressions of interest to fish for any or all of the 2020-2024 U.S. fishing opportunities in NAFO described above will be considered from all U.S. fishing interests (*e.g.*, vessel owners, processors, agents, others). Applicants are urged to carefully review and thoroughly address the application requirements and selection criteria as detailed below. Expressions of interest should be directed in writing to Regional Administrator Michael Pentony (see **ADDRESSES**).

Information Required in an Application Letter

Expressions of interest should include a detailed description of anticipated fishing operations for the full five years. Descriptions should include, at a minimum:

- Intended target species;
- Proposed dates of fishing operations;
- Vessel(s) to be used to harvest fish, including the name, registration, and home port of the intended harvesting vessel(s);
- The number of fishing personnel and their nationality involved in vessel

operations;

- Intended landing port or ports; including for ports outside of the United States, whether or not the product will be shipped to the United States for processing;
- Processing facilities to be used;
- Target market for harvested fish; and,
- Evidence demonstrating the ability of the applicant to successfully prosecute fishing operations in the NAFO Regulatory Area, in accordance with NAFO management measures. This may include descriptions of previously successful NAFO or domestic fisheries participation.

Note that applicant U.S. vessels must possess or be eligible to receive a valid High Seas Fishing Compliance Act (HSFCA) permit. HSFCA permits are available from the NMFS Greater Atlantic Regional Fisheries Office. Information regarding other requirements for fishing in the NAFO Regulatory Area is detailed below and is also available from the NMFS Greater Atlantic Regional Fisheries Office (see **ADDRESSES**).

U.S. applicants wishing to harvest U.S. allocations using a vessel from another NAFO Contracting Party, or hoping to enter a chartering arrangement with a vessel from another NAFO Contracting Party, should see below for details on U.S. and NAFO requirements for such activities. If you have further questions regarding what information is required in an expression of interest, please contact Patrick Moran (see **ADDRESSES**).

Criteria Used in Identifying Successful Applicants

Applicants demonstrating the greatest benefits to the United States through their

intended operations will be most successful. Such benefits may include:

- The use of U.S vessels and crew to harvest fish in the NAFO Regulatory Area;
- Detailed, positive impacts on U.S. employment as a result of the fishing, transport, or processing operations;
- Use of U.S. processing facilities;
- Transport, marketing, and sales of product within the United States;
- Other ancillary, demonstrable benefits to U.S. businesses as a result of the fishing operation; and
- Documentation of the physical characteristics and economics of the fishery for future use by the U.S. fishing industry.

Other factors we may consider include but are not limited to: A documented history of successful fishing operations in NAFO or other similar fisheries; the history of compliance by the vessel with the NAFO CEM or other domestic and international regulatory requirements, including potential disqualification of an applicant with repeated compliance issues; and, for those applicants without NAFO or other international fishery history, a description of demonstrated harvest, processing, marketing, and regulatory compliance within domestic fisheries.

To ensure equitable access by U.S. fishing interests, we may provide additional guidance or procedures, or we may issue regulations designed to allocate fishing interests to one or more U.S. applicants from among qualified applicants. These regulatory changes may result in NMFS altering or amending quota the NMFS grants an applicant through this process. NMFS will notify any approved applicant of the

proposed regulatory changes in advance of making the changes. After reviewing all requests for allocations submitted, we may also decide not to grant any allocations if it is determined that no requests adequately meet the criteria described in this notice.

Notification of Selected Vessels for NAFO Fisheries

We will provide written responses to all applicants notifying them of their application status and, as needed for successful applicants, allocation awards will be made as quickly as possible so that we may notify NAFO and take other necessary actions to facilitate operations in the regulatory area by U.S. fishing interests.

Successful applicants will receive additional information from us on permit conditions and applicable regulations before starting fishing operations.

Mid-Term Allocation Adjustments

In the event that an approved U.S. entity does not, is not able to, or is not expected to fish an allocation, or part thereof, awarded to them, NMFS may reallocate to other approved U.S. entities. If requested, approved U.S. entities must provide updated fishing plans and/or schedules. A U.S. entity may not consolidate or transfer allocations without prior approval from NMFS. In the event that other approved U.S. entities are unable to fish additional allocation, NMFS may solicit further interest by notice in the **Federal Register**.

Chartering a Vessel to Fish Available U.S. Allocations

Under the bilateral arrangement with Canada, the United States may enter into a chartering (or other) arrangement with a Canadian vessel to harvest the transferred yellowtail flounder. For other NAFO-regulated species listed in Annexes I.A and I.B, the United States may enter into a chartering arrangement with a vessel from any other

NAFO Contracting Party. Additionally, any U.S. vessel or fishing operation may enter into a chartering arrangement with any other vessel or business from a NAFO Contracting Party. The United States and the other Contracting Party involved in a chartering arrangement must agree to the charter, and the NAFO Executive Secretary must be advised of the chartering arrangement before the commencement of any charter fishing operations. Any U.S. vessel or fishing operation interested in making use of the chartering provisions of NAFO must provide at least the following information: The name and registration number of the U.S. vessel; a copy of the charter agreement; a detailed fishing plan; a written letter of consent from the applicable NAFO Contracting Party; the date from which the vessel is authorized to commence fishing; and the duration of the charter (not to exceed six months).

Expressions of interest using another NAFO Contracting Party vessel under charter should be accompanied by a detailed description of anticipated benefits to the United States, as described above. Additional detail on chartering arrangements can be found in Article 26 of the CEM (<https://www.nafo.int/Fisheries/Conservation>).

Any vessel from another Contracting Party wishing to enter into a chartering arrangement with the United States must be in full current compliance with the requirements outlined in the NAFO Convention and CEM. These requirements include, but are not limited to, submission of the following reports to the NAFO Executive Secretary:

- Notification that the vessel is authorized by its flag state to fish within the NAFO Regulatory Area during the applicable fishing year;
- Provisional monthly catch reports for all vessels of that NAFO

Contracting Party operating in the NAFO Regulatory Area;

- Daily catch reports for each day fished by the subject vessel within the Regulatory Area;
- Observer reports within 30 days following the completion of a fishing trip; and
- An annual statement of actions taken by its flag state to comply with the NAFO Convention.

The United States may also consider the vessel's previous compliance with NAFO bycatch, reporting, and other provisions, as outlined in the NAFO CEM, before authorizing the chartering arrangement.

Transfer of U.S. Quota Allocations to Another NAFO Party

The United States may transfer fishing opportunities by mutual agreement with another NAFO Contracting Party and with prior notification to the NAFO Executive Secretary. An applicant may request to arrange for any of the previously described U.S. opportunities to be transferred to another NAFO party, although such applications will likely be given lesser priority than those that involve more direct harvesting or processing by U.S. entities. Applications to arrange for a transfer of U.S. fishing opportunities should contain a letter of consent from the receiving NAFO Contracting Party, and should also be accompanied by a detailed description of anticipated benefits to the United States. As in the case of chartering operations, the United States may also consider a NAFO Contracting Party's previous compliance with NAFO bycatch, reporting, and other provisions, as outlined in the NAFO CEM, before agreeing to enter into a transfer arrangement.

Receiving a Transfer of NAFO Quota Allocations from another NAFO Party

The United States may also receive transfers of additional fishing opportunities from other NAFO Contracting Parties. We are required to provide a letter consenting to such a transfer and must provide notice to the NAFO Executive Secretary. In the event that an applicant is able to arrange for the transfer of additional fishing opportunities from another NAFO Contracting Party to the United States, NMFS may agree to facilitate such a transfer. However, there is no guarantee that if an applicant has facilitated the transfer of quota from another Contracting Party to the United States, such applicant will receive authorization to fish for such quota. If quota is transferred to the United States, we may need to solicit new applications for the use of such quota. All applicable NAFO requirements for transfers must be met. As in the case of chartering operations, the United States may also consider a NAFO Contracting Party's previous compliance with NAFO bycatch, reporting, and other provisions, as outlined in the NAFO CEM, before agreeing to accept a transfer. Any fishing quota or other harvesting opportunities received via this type of transfer are subject to all U.S and NAFO rules as detailed below.

For more details on NAFO requirements for chartering and transferring NAFO allocations, contact Patrick Moran (see **ADDRESSES**).

Fishing in the NAFO Regulatory Area

U.S. applicant vessels must be in possession of, or obtain, a valid HSFCA permit, which is available from the NMFS Greater Atlantic Regional Fisheries Office. All permitted vessels must comply with any conditions of this permit and all applicable provisions of the Convention on Future Multilateral Cooperation in the Northwest

Atlantic Fisheries and the CEM. We reserve the right to impose additional permit conditions that ensure compliance with the NAFO Convention and the CEM, the Magnuson-Stevens Fishery Conservation and Management Act, and any other applicable law.

The CEM provisions include, but are not limited to:

- Maintaining a fishing logbook with NAFO-designated entries (Annex II.A and Article 28);
- Adhering to NAFO hail system requirements (Annexes II.D and II.F; Article 28; Article 30 part B);
- Carrying an approved onboard observer for each trip consistent with requirements of Article 30 part A;
- Maintaining and using a functioning, autonomous vessel monitoring system authorized by issuance of the HSFCA permit as required by Articles 29 and 30; and
- Complying with all relevant NAFO CEM requirements, including minimum fish sizes, gear, bycatch retention, and per-tow move on provisions for exceeding bycatch limits in any one haul/set.

Further details regarding U.S. and NAFO requirements are available from the NMFS Greater Atlantic Regional Fisheries Office, and can be found in the NAFO CEM on the Internet (<https://www.nafo.int/Fisheries/Conservation>).

Vessels issued valid HSFCA permits under 50 CFR part 300 are exempt from certain domestic fisheries regulations governing fisheries in the Northeast United States found in 50 CFR 648 when participating in NAFO fisheries. Specifically, vessels are

exempt from the Northeast multispecies, monkfish, and skate requirements. These exemption include permit, mesh size, effort-control, minimum fish size, and possession limit restrictions, specified in §§ 648.4, 648.51, 648.53, 648.80, 648.82, 648.83, 648.86, 648.87, 648.91, 648.92, 648.94, 648.322. Exemptions apply while transiting the U.S. exclusive economic zone with multispecies and/or monkfish on board the vessel, or landing multispecies and/or monkfish in U.S. ports that were caught while fishing in the NAFO Regulatory Area. U.S. vessels fishing in NAFO may possess, retain, and land barndoor skate; however, they may not possess, retain, or land other prohibited skate species specified in §§ 648.14(v) and 634.322(g). These exemptions are conditional on the following requirements: The vessel operator has a letter of authorization issued by the Regional Administrator on board the vessel; for the duration of the trip, the vessel fishes, except for transiting purposes, exclusively in the NAFO Regulatory Area and does not harvest fish in, or possess fish harvested in, or from, the U.S. EEZ; when transiting the U.S. EEZ, all gear is properly stowed and not available for immediate use as defined under § 648.2; and the vessel operator complies with the provisions, conditions, and restrictions specified on the HSFCA permit and all NAFO CEM while fishing in the NAFO Regulatory Area.

Dated: July 20, 2020.

Alexa Cole,

Director, Office of International Affairs and Seafood Inspection,

National Marine Fisheries Service.

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