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COUNCIL

## Report

### Meeting of the Fishing Industry Advisory Committee

Virtual Meeting Link via WebEx

<https://wprfmc.webex.com/join/info.wpcouncilnoaa.gov>

*October 28, 2020*

*1:00 p.m. – 4:00 p.m. (HST)*

*Virtual Meeting*

*1164 Bishop St., Suite 1400*

*Honolulu, Hawaii*

#### **1. Introduction and Welcome**

The Chair, Mike Goto, opened the meeting at 1:05 p.m. and provided a brief introduction and overview of the FIAC. Members were requested to introduce themselves by providing a short bio of their experience in the fishing and/or seafood industry.

Participating members included: Michael Goto, Baron Miho, Kerry Umamoto, Lino Tenorio, Manuel Duenas, Dean Sensui, Jonathan Hurd, John Kaneko, Stuart Chikami, Kenton Geer, Sean Martin, Vince Haleck, Eric Kingma, Josh Schade, and Mike Yonemura . Miissing was Carlos Herrera from Guam.

Staff participants included: Mark Mitsuyasu, Asuka Ishiaki, Joshua DeMello, Zach Yamada, Felix Reyes, Floyd Masga, Mark Fitchett and Marlowe Sabater.

Public participants included: John Gourley, CNMI, Clay Tam, Hawaii, Danika Kleiber NMFS PIRO, and Brian Ishida , HDAR.

#### **2. Overview of the Council and FIAC Role**

Council staff provided a brief overview of the Magnuson-Stevens Act, Council and the Council process. The FIAC is one of three MSA required advisory bodies to the Council that provides input and recommendations on management and conservation actions from an industry perspective. The FIAC includes representatives from the fishing, seafood processing, distribution and marketing industries, industry organizations, fishing tackle and marine service and supply providers, and other industry related sectors. Members serve four year terms.

Members raised questions regarding FIAC expectations and discussed potential schedule and frequency and frequency of meetings. Staff noted that the FIAC is expected to meet as needed to address issues and develop recommendations for the Council. Therefore, frequency of meetings will be dependent on the issues addressed by the committee at the discretion of the Council and FIAC chair.

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### **3. Round Table on Industry Issues**

FIAC members were provided an opportunity to report on fishing/seafood/distribution industry related issues occurring in their respective areas.

#### **A. American Samoa**

Chikami reported that the AS longline fleet has been hit hard with COVID as well as low catch rates (~45% albacore catch rate drop). Although the price has been good, catch rates remain poor (Chinese fleet putting more pressure on the fleet). This is an issue that will continue to challenge the ASLL fleet. Purse seine fleet based out of AS has also had to deal with impacts of COVID.

#### **B. Hawaii**

Geer identified oceanic white tip sharks (OWT) as an issue for FIAC to address. He has been working with researchers and has tagged 30 OWT sharks thus far, and it appears that the sharks have a low survival rate. He noticed increased OWTs the SEZ closure in place, but observed less OWTs once SEZ reopened.

Kingma noted that ESA is difficult and the OWT shark is being addressed through Council's OWT working group. The longline industry has faced significant economic impacts due to COVID. The future is uncertain for longline vessel owners, but there has been a little bit of recent government support from City & County of Honolulu and State. However, none of the support will make anyone whole as the loss of revenue from vessels alone is over \$30M. Catch rates are improving and markets are generally stable but on the lower side as businesses are still closed and air lift out of state is still reduced.

Regarding NOAA CARES Act money, the State developed its spending plan that was sent to NOAA for approval. They should be working on applications for sectors shortly.

HLA has also been working with additional State funds coming from legislators. In dealing with legislators, HLA advocated that the state needs to support the small boat community, which resulted in the state providing \$800K of CARES Act funds for small boats as they are important to the food security of Hawaii.

Committee members discussed the impacts of COVID on the fishing, seafood and restaurant industries. The longline industry was impacted by closure of the hotel industry and restaurants, as well as impacts from mainland markets. The lack of tourism had negative impacts on fish prices. However, there has recently been a little bit of a boost, but nowhere near where it once was. Out of the total market, Umemoto estimated that Hawaii consumption held up well at 60%. As restrictions lifted, local distribution lifted. The non-yellowfin and bigeye market (marlin, ono, opah, etc.) was hit hard as those species were targeted to the restaurants and hotels.

#### **Guam**

Duenas added his concern for OWT sharks as Guam is still inundated with sharks. He also supported the FIAC talking about protected species issues. Other issues raised was Guam's

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continued inundation by neighbor islands (Micronesian) fishing issues and need to keep collecting life history data in the Marianas.

Umamoto asked if the Japanese longline vessels were still operating in the Marianas? Reyes (Staff) stated that one company (Tidewater) manages seven Japanese flagged longline vessels out of Guam however the vessels will be moving to Okinawa by the end of the year.

### **C. CNMI**

Tenorio reported that CNMI is being hit hard with shark depredation. Bottomfish fishermen have particularly been hit hard by sharks. Tenorio is conducting BF training workshops in CNMI and as a result recreational/commercial fishing has increased. They are still waiting for the CARES Act funding to be distributed.

Gourley emphasized importance of data collection from the industry and that if data are not collected they risk losing the industry.

Umamoto asked if there are any of the Hawaii longline vessels still in CNMI? Members reported that there are no longline vessels in CNMI at the moment.

## **4. Fishery Development and Management**

### **A. American Samoa Diversification**

Vince Haleck had to step away for another meeting. Staff reported that the American Samoa DMWR received support from through the Council and NMFS to work with the longline association (Tautai O Samoa Association) to implement a pilot project to convert five longline vessels to albacore jig fishing. Five vessels will be converted to troll/jig fishing, with the aim of fishing this winter (starting in November). Chikami added that diversification is a positive for ASLL and should be supported. Fitchett added that troll albacore prices are sometimes twice as much so it could be a lucrative option.

### **B. Mariana Islands**

#### **i. Establishing Guam as a hub for pelagic fisheries in Micronesia**

Council Staff (Felix Reyes) reported Guam, with its deep protected harbors, existing port and wharf facilities, and airline connectivity to Hawaii and Asia presents an ideal opportunity to position itself as a hub for pelagic fisheries in the Micronesia region. The local government's support for fishery development, combined with the infrastructure from previous and current transshipment fisheries is an opportunity for the community to enhance its capacity and participate in pelagic fisheries. The current review of the Compact of Free Association being undertaken in Congress could include a vehicle for channeling fish to Guam in order to make the pelagic fishery hub a reality.

Committee members did not have comments on this item.

Staff also noted that the CARES Act spending plan was approved for Guam and process for applying will start immediately.

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## **ii. Review of the Guam 50 mile LL and Bottomfish Closures**

Council Staff (Mark Mitsuyasu) reported that on current federal longline and bottomfish regulations as applied to Guam. Council is required to periodically review its management measures and is seeking FIAC feedback on the Guam 50 mile longline and bottomfish closure measures (whether these measures are still needed).

Duenas stated that NOAA has still not developed a process for issuing exempted permits to allow longline fishing. Council needs to continue to press on NOAA to get things done. If anyone is doing work in the area, data needs to be collected. He added, that longline in the Marianas will never succeed as there are too many sharks. In addition, there is heavy fishing to the south of Guam.

## **iii. Pilot project for foreign longline fishing in CNMI**

Council Staff (Mark Fitchett) reported that CNMI is a SIDS under WCPFC, meaning that any management measure made by the commission cannot target or disproportionately affect developing states. CNMI doesn't have a major commercial pelagic fishery. The tuna resource in CNMI is not overfished nor experiencing overfishing as there is very little commercial utilization of tropical tunas in CNMI EEZ. CNMI is a strategic location for access to markets in Asia and could utilize fishing EEZ with foreign partnerships through charter agreements (PIAFA) or joint venture.

Kingma noted that there were four vessels that went to CNMI to try longlining. The Council should get insight from those vessel owners on their experience. The Territories can do what they want, but under constraining US laws, CNMI should evaluate the different options and see which one will be most beneficial to the CNMI. Joint ventures might be better, but he doesn't necessarily want to see further Chinese longline expansion in the Pacific. However, it is up to CNMI on what it wants to pursue. There is also a full spectrum of companies from good to bad and they should choose wisely.

Umemoto added that when HI boats went down to CNMI (Sea Falcon, Frank Crabtree) they reported the fishery grounds were too far to produce fresh fish. If they had partners, and the right boats and technologies, you would be able to see that there is a pelagic resource in that area.

Kaneko reminded everyone that in 1991 there was a tuna transshipment study done (with Bartram) that have findings that would help provide insight to tuna transshipment and longlining. People should also give consideration to what happens to the fish that comes to the US port and what country of origin label it has (that will have big impact to access to us market or marketability of the product).

Duenas noted the boats caught small tunas (avg 30 lbs) not good for market to the world. The only fishery that CNMI can develop a niche market for is albacore, especially above 20 degrees north of CNMI. CNMI could market quality fish from vessels using refrigerated sea water (RFW) 30 days old, but the Japanese maybe picky about quality.

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## **C. Hawaii**

### **i. Hawaii Seafood Branding**

Josh DeMello/Kaneko

Council staff (DeMello) provided overview of the issue. Kaneko agreed that coming the use of Hawaiian names (ahi, mahi) for Hawaii produced fish has left the barn 25 years ago. Trying to maintain “our” share under current COVID impacts is a problem. There is an increase in eating and supporting local and improving your health. This should be promoted now and there should be full disclosure to let the consumer make the decision.

Goto added that promotion of HI seafood has been an issue for a long time. UFA is moving from antiquated identifications and processes to the 21<sup>st</sup> century. They are refocusing on promoting the industry, such as a logo emblematic of representation and promotion of Hawaii seafood, creation of a website and re-establishing the basics of Hawaii’s seafood. The plan is to start growing the HI seafood product image, heritage, where it comes from, management, protected species, seafood quality, HACCP, etc. The FIAC should be part of this effort which will be the cornerstone of Hawaii seafood branding.

Sensui agreed that regaining ownership of fish names is beyond hope already because of broad use. They should push for country of origin labeling and using “locally caught”, and “fresh” (never frozen) vs frozen, or “product of Kauai” etc. Push Hawaii as port of origin to make it unique and have it represent a unique value.

Kaneko noted that they can defend and trace an origin and local caught being a big selling point, but they may not want to limit local to fresh. As an example, during COVID they had lots of locally fresh fish with nowhere to go. All of a sudden, prices fall below cannery prices and it makes no sense. What kinds of opportunities are there to focus on not only the fresh sashimi tuna (which sells itself), but the off sizes and other species that are going to need support. As an example, Alaska markets their frozen products against year-long aqua cultured salmon. Need NOAA to help market the US managed fisheries (if it’s traced back to MSA fishery, it’s sustainable)

Martin added that Hawaii doesn’t own the name and there are wholesalers not in Hawaii that are using the terms. It doesn’t matter as Hawaii has a good reputation and name already.

Sensui notes there is nothing wrong with stratifying the market with different grades for different purposes, pushing or branding the Hawaii seafood source. Example is copper river salmon, nothing makes it better, it’s just branding.

Duenas reported that they have Micronesian fish markets that also import reef fish weekly and market it as local reef fish.

Umamoto stated the most expensive tuna next to Japan is Hawaii. Therefore, that is credit to marketing already done. Industry knows sustainability is for marketers. Hawaii no longer sends fish to Japan because a market has been created here in Hawaii.

Mitsuyasu noted the MAFAC effort on seafood branding, but don’t have representation from our

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region at this time.

Geer stated Hawaii longline fleet has gotten better regarding image but still one NYT article away from a disaster (foreign crew issues, roach/bedbug infested etc). They need to do better for the backbone of our industry. He personally hires foreign crew, but it would be a lie that their working conditions are good (especially on longline boats).

Kingma suggested the FIAC support the Hawaii/region-wide seafood promotion (should be a rec to Council). He added that there is no doubt that issues facing HI LL is significant (crew, PS, quota, harbor), and any one of those issues can disrupt the fishery. On crew issues, the fleet is being judged by the lowest common denominator and HLA is working on those issues daily. HLA has instituted handbook and crew committee that make contact with the crew and be notified when issues arise. Level of oversight by HLA, customs, and other partners are high. HLA has done a couple of videos that highlight crew stories, which he asked members to review and provide feedback.

Schade agreed with many of the members about branding. They need to agree on the approach as everyone has the same end goal in mind, but they all see different parts of the industry.

## **ii. Public/Private Management of Harbor Facilities**

Council staff reported that Council members have raised the issue regarding the privatization of Hawaii harbors. A proposal to privatize the Honakahau harbor in Kona was introduced in the State Legislature last year but was not passed. The plan was to have the state turn management of Honokahau Harbor over to a private management company what would be able to better maintain the facilities based on the revenue generated from harbor use. The harbor, under state control, has not been able to be maintained and upgrades to facilities have been slow. For example, there is no power to the boats, except on the south side. Individuals can install power at the cost of \$30,000 in addition to their commercial permit fees (3% of gross for charters). Under the proposal, small trailer boat ramp fees would be maintained.

Sensui expanded on the lack of maintenance of all state harbors and facilities and the need DOBOR to be held accountable.

Duenas noted that Guam has the same type of harbor issues.

The FIAC suggested revising use of sportfish funding so it can be used for charter fisheries (not just strictly recreational). Hawaii receives \$10M but Guam only receives \$1M.

## **iii. MHI Management Review**

Council staff (DeMello) reported that the Council met with State of Hawaii and NMFS the day prior to discuss improving management coordination and filling regulatory and monitoring gaps. Council will be working with State and NMFS through working groups to address the issues raised. Members were asked to notify staff if any of the topics are of interest.

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Kingma reported that HLA is still correcting misconceptions that longline industry requested or is petitioning to remove or change the MHI longline closures. Staff provided clarification that the review was part of the overall effort to review the Council's MHI management regime under its Pelagic and Hawaii FEPS.

Umamoto reported that his staff report daily dealer reports.

#### **iv. Longline vessel movement between Hawaii and west coast**

Umamoto requested an update on the topic of longline vessel movement between Hawaii and the west coast. He asked if HLA is doing work on behalf of all permit holders, which include those vessels being used on west coast?

Kingma provided background on the Hawaii longline limited entry program, established in the 1990s. There are 148 actively fishing, of which 9-10 fishing on west coast. About 5 boats primarily fishing out of California target swordfish. All vessels need a Hawaii permit to land in Hawaii. There is a permit for west coast, but west coast vessels are operating under Hawaii regulations and permit. West coast vessels do affect the Hawaii-based vessels (e.g., if sword boats off west coast catch turtles they get counted against our limit). Some tuna vessels did move over to California, and some of them recently came back. If west coast vessels establish their own fishery with their own permit, that could take away from the Hawaii turtle limits. There could be upsides to having the west coast vessels as part of the Hawaii fishery. At this point, HLA is not suggesting changes to permitting or regulations, but are aware of the dynamics.

#### **D. Region-wide**

##### **i. Offshore Aquaculture – National and Regional**

Josh DeMello

Council staff (DeMello) provided the committee an update. Offshore aquaculture is being pushed by the Administration as a way to reduce the seafood deficit and the future of fish production in the US. While the Council has had an Aquaculture Policy since 2006, the Council has been working to put in a permitting and reporting process in place since 2012. This would provide the Council with the authority to manage offshore aquaculture in the EEZ of the Western Pacific. NOAA Fisheries is on record stating that aquaculture is "Fishing" under the MSA, although that has been challenged as of late.

Currently, there are efforts underway in Congress to establish aquaculture programs through the AQUAA Act in both the House and Senate. NMFS is also forging ahead with aquaculture by providing research funding and opportunities to support aquaculture as well as developing Aquaculture Opportunity Areas (AOAs) to assist with streamlining permitting for development.

Umamoto asked how much aquaculture is currently occurring in the Western Pacific. Members discussed prior aquaculture operations/projects, including kahala/kampachi cages off Kona, opakapaka off Lanai, moi cages off of Oahu, Kahuku shrimp, ogo and offshore ahi cages.

Duenas noted that Guam supports saltwater tilapia and shrimp aquaculture. Potential projects

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include working with Taiwan and UH.

## **ii. Protected Species**

Council staff (Asuka Ishizaki) presented on Council protected species issues as considered under the MSA and other statutes, including MMPA import regulations, modification of seabird mitigation measures and ESA biological opinions.

Martin asked regarding MMPA import regulations, at what level might the US impose restrictions? The Hawaii longline fleet has a 20% observer coverage, but will the US say foreign fleets would have to have equivalent levels of observer coverage? To what depth will they implement consistency requirements?

Ishizaki reported that the Council had a high level overview presentation from Alexa Cole. NOAA has been consulting with other countries and providing technical assistance to monitor level of marine mammals as well as level of impacts. It will be evaluated on a case by case, nation by nation basis. If they can't do it, they will need to expand estimates to develop the evaluation of impacts. They have some information from a few countries that are putting in national frameworks to bring their marine mammal management to be similar to the US.

Duenas asked where PIFSC is on ground work for turtles in the Marianas. Fish have 10 year rebuilding plans, but for turtle recovery it has been 40 years. NOAA should be able to provide better estimates of populations. Duenas wants updates on what NMFS is doing in the Mariana islands.

## **iii. Executive Order 13921 – Council Priorities**

Marlowe Sabater

Council staff (Marlowe Sabater) presented on the Council's priorities for removing burdens on domestic fishing under EO13921. In May 7, 2020, President Trump issued Executive Order 13921 that promotes American seafood competitiveness and increase fisheries production. This EO requested the Regional Fishery Management Councils to provide a prioritized list of recommended action to reduce the burden on domestic fishing and increase in seafood production. The Council, working with the fishing industry, identified the burden on the longline and demersal fisheries stemming from regulations and policies under the MSA, ESA, MMPA and the other statutes. Council staff will present a summary of the high priority issues and recommended actions associated with each.

Umemoto noted that these are tough issues because the US always seems to hurt itself. "We" don't have too many fisheries left in the US.

## **5. Other Issues**

Kingma reported on the Harbors Division policy to evacuate Honolulu Harbor in the event of hurricane or watch conditions. Vessels are subject to this condition and forced to evacuate into the teeth of the storm. Typically, US policies on west coast and gulf vessels under 250 gross tons



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are allowed to shelter in place. All HI LL vessels are under 250 gross tons. One of the Hawaii vessels went north and got caught in the oncoming storm. The Harbors Division evacuates vessels because it is an important port. HLA has engaged the captain of the port and Harbors Division to pursue a change, but wanted to put it on the radar for the Council.

Sensui reported that a lot of fishermen are fighting with the public on the status of various fisheries. General negative statements are made about “evil longliners” taking fish and running out of tunas without factual basis. Fishermen have a long uphill battle to counter the public misconceptions. There needs to be efforts to constantly remind the public that the fisheries are in good health, an import resource, comes from sustainable US/local fisheries and that the damage being claimed is not happening. Need to identify ways to spread correct information on the resources and that the sky is not falling.

Kingma added that different fishery sectors have their own issues --large vessel, small vessels, dealers, etc. Everyone needs to stick together as an industry and inform each other of the various issues and sectors. This FIAC can be used to do that and provide industry level issues that may not always be on the Council’s radar.

Geer mentioned that his personal interest is to help clean beaches. He supports local fisheries but he feels that we need to stop throwing plastic rope into the ocean by the mile. If they will keep putting FADs in the water, they need to be environmentally sustainable. Get rid of plastic rope in FAD design.

Kingma reported that he has been hearing there has been sabotage on offshore FADs off Hawaii. It makes no sense as they are important to the small-boat fishery. A review of the HI state FAD program is needed.

Duenas thanked the chair and the members for their participation.

Jonathan Hurd noted that this is the first federal administration that backs the fishermen and hopes that a second term will give them access to the NWHI.

Umemoto also recommended talking to the Administration about allowing Hawaii dealers to start selling marlins to the mainland.

## **6. Public Comment**

Clay Tam thanked the committee for the opportunity to participate noting that all the fisheries are in the same boat and need to stay together to take care of common ocean resources.

## **7. Discussion and Recommendations**

Fishing Industry Advisory Committee recommendations

- 1) Regarding Pacific Island fishing and seafood promotion, the FIAC reiterates the point that

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US commercial fisheries managed through the MSA and Council process are accountable and sustainable. Therefore, the FIAC requests the Council support a Pacific Island region-wide seafood promotion program highlighting the facts that Pacific Island fisheries and seafood are:

- a. Local, wild caught, and fresh, frozen and value added seafood;
  - b. Sustainably managed under the MSA and the Council;
  - c. Environmentally responsible; and
  - d. Safe, wholesome and healthy.
- 2) Regarding vessel safety during extreme weather events, the FIAC requests the Council engage the US Coast Guard and the State of Hawaii Harbors Division to review existing policies on allowing longline vessels under 250 gross tons to shelter in place during tropical storms and hurricanes.
  - 3) Regarding harbor management and maintenance, the FIAC requests the Council engage the US FWS, State of Hawaii and Territories to revisit policies governing the spending authority of the Sportfish Restoration Funds and how it can be better used to support harbor/marina improvements of both the charter and non-commercial fisheries.
  - 4) Regarding Fish Aggregation Devices (FADs), the FIAC recommends the Council explore options to improve public FADs construction to maximize the use of environmentally responsible materials that will also extend the time at which FADs remain on station.
  - 5) Regarding the Marine Fisheries Advisory Committee, the FIAC recommends the Council strongly urge NMFS to include an industry representative from the Pacific Island region on the national committee to ensure the issues and perspectives from the Pacific Islands are fully represented.
  - 6) Regarding Protected Species, the FIAC requests a presentation on the status of the Marianas green sea turtle population and work being done to recover the species be provided by NMFS at its next meeting.