

**U.S./Canada Transboundary Resources Steering Committee**  
**Halifax, Nova Scotia**  
**September 12, 2013**  
**Meeting Minutes**

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**Canadian Participants**

Faith Scattolon, DFO, Steering Committee Co-chair  
Mark Craig, DFO, Integration Committee Co-chair  
Claude d'Entremont, GOMAC Co-chair  
Roger Stirling, GOMAC Co-chair  
Michael O'Connor, TMGC Co-chair  
Verna Docherty, DFO, TMGC  
Kirsten Clark, DFO, TRAC Co-Chair  
Lou Van Eeckhaute, DFO, TRAC  
Terry Higgins, DFO, Integration Committee

**U.S. Participants**

John Bullard, NMFS, Steering Committee Co-chair  
Jennifer Anderson, NMFS, Integration Committee Co-chair  
Terry Stockwell, Acting NEFMC Chairman, TMGC Co-chair  
Sarah Heil, NMFS, TMGC  
Tom Nies, NEFMC Executive Director, TMGC  
Loretta O'Brien, NEFSC, TRAC Co-Chair  
Fred Serchuk, NEFSC, TMGC  
Allison Murphy, NMFS, Integration Committee

**Opening Remarks**

Ms. Scattolon welcomed U.S. participants to Nova Scotia. Ms. Scattolon advised that the Honourable Gail Shea had been re-appointed as Minister of Fisheries and Oceans Canada (DFO) and indicated that Minister Shea was familiar with the department's files as she had been previously Minister of DFO.

Mr. Bullard began by acknowledging the importance of science and the challenges in achieving consensus and then provided a few updates:

Regarding species at risk, in August NMFS declared an Unusual Mortality Event for bottlenose dolphin. The event was established due to increased mortalities of bottlenose dolphin from New York to Virginia. Several dolphin samples tested positive for the morbillivirus, a virus which is similar to the measles. Total bottlenose strandings were over 400, but as of the week of September 9<sup>th</sup>, the number of weekly strandings had started to decline.

In July, NMFS published a proposed rule to amend its Atlantic Large Whale Take Reduction Plan. This proposed rule revises the management measures for reducing the incidental mortality and serious injury

to right, humpback, and fin whales in commercial trap/pot and gillnet fisheries. A final rule is expected in mid-2014.

Mr. Bullard also provided an update on where the U.S. stands with regard to how cod landings are reported. He noted that last April NMFS received reports of possible discrepancies in the reporting of Eastern and Western Georges Bank cod catches. An investigation into the problem did not find that misreporting was a problem. However, to be safe, NMFS implemented several administrative fixes that modified the way that catches of cod and haddock are monitored; since then, no reporting irregularities have been detected.

And finally, Mr. Bullard noted that the New England Council is in the process of completing a new Habitat Amendment. This action would minimize impacts to essential fish habitat for Council-managed species and is expected to improve groundfish productivity. Although the U.S./Canada joint Habitat Working Group no longer meets, this is regarded as a very important amendment that could have positive impacts for transboundary stocks. Looking ahead to the spring 2014 Steering Committee meeting, Mr. Bullard offered that the U.S. could give a brief presentation to highlight some of the key measures that are expected as part of this new amendment.

Ms. Scattolon reported that Canada had implemented a closure of *Vazella* sponges on a portion of the Scotian Shelf. She indicated that this was the first time that the Sensitive Benthic Areas Policy had been used for a closure.

## **Transboundary Resources Assessment Committee Report**

### Allocation Shares

Ms. Lou Van Eeckhaute presented the TRAC report on allocation shares. She indicated that yellowtail flounder had the most variability in inter-annual survey catches and that and that, for all three species, the percentage of yellowtail flounder allocated to the U.S. in 2014 increased based on the resource surveys. The 2014 allocation shares are:

- Cod: 22%-USA, 78%-CDN
- Haddock: 39%-USA, 61%-CDN
- Yellowtail: 82%-USA, 18%-CDN

### Eastern Georges Bank Cod Assessment Results

Ms. Loretta O'Brien presented an update on Eastern Georges Bank cod. She indicated that, similar to the April meeting, three models were considered and while the TRAC did not come to consensus on one model, it did agree to use the VPA M=0.8 model for catch advice, as well as using the ASAP M=0.2 model in a consequence analysis.

Ms. O'Brien reported that the 2003 year class was likely an outlier and that fishing mortality was very low with the M=0.8 model. She advised that TRAC would need to bring forward additional analyses to

determine an appropriate  $F_{ref}$  to be negotiated at TMGC. To determine short-term catch advice using the  $M=0.8$  model, TRAC recommended using a fishing mortality lower than  $F_{ref} = 0.18$ , as this reference point is not appropriate for the  $M=0.8$  model. She further noted that it was only the second or third year that the 2010 year class had been estimated, and that it takes approximately three-five years before obtaining a consistent estimate of year class strength.

Mr. Bullard inquired about the low weight-at-age data, and Ms. O'Brien responded that while there were no absolute conclusions, there was speculation regarding the differences in spawning times or food availability.

Ms. Scattolon questioned the rationale for  $F=0.11$  as an interim alternative  $F_{ref}$  for the  $M=0.8$  model. Ms. O'Brien advised it was presented at the recent cod benchmark, but was not accepted by the reviewers. In the absence of another value, it was used as a default. Additional work may or may not result in a different  $F_{ref}$  that would be a candidate for the negotiated  $F_{ref}$  value.

#### Eastern Georges Bank Yellowtail Flounder Assessment Results

Ms. O'Brien presented an update on Eastern Georges Bank yellowtail flounder. She indicated that there was good agreement amongst all four surveys, and that total mortality estimates from the surveys were unexpectedly high. The question the scientists asked was that if relative  $F$  was low, where were all the fish? Ms. O'Brien reported that model assumptions do not accurately capture trends in the data, as the model indicates that the stock size is increasing, when in reality the stock is declining. The model results have a retrospective bias that appears to be overestimating spawning stock biomass and underestimating fishing mortality. The retrospective bias, which adds uncertainty in the model results, can be adjusted only for the current year (terminal year) and not prior years. TRAC recommended using the *adjusted* 2012 model results for status determination and for the projected 2014 catches. Ms. O'Brien also reported that the 2014 advice from the projection may be optimistic since the projected recruitment was based on a ten-year average, rather than the recent very low three-year average. TRAC advice was that in order to fish at  $F_{ref}$  and increase biomass, the 2014 quota should be set at 400 mt.

Ms. Scattolon inquired as to whether years prior to 2012 had been rho-adjusted (to account for the retrospective pattern) and Ms. O'Brien reported that the TRAC was unable to make those adjustments due to the limitations of the model.

#### Eastern Georges Bank Haddock Assessment Results

Ms. Lou Van Eeckhaute presented an update on Eastern Georges Bank haddock. She reported that catches had been high in recent years due to the outstanding 2003 year class. However, catches decreased after 2009 as the 2003 year class experienced a decline due to fishing and natural mortality. The 2010 year class is stronger than the 2003 year class and projected catches will increase for several years into the future. She further noted that 2014 is expected to have the highest biomass (240,000 mt) that has been seen in this assessment time series.

## TRAC Terms of Reference (ToR)

Ms. O'Brien reviewed the TRAC ToR and noted that two new bullets had been added.

The first new bullet was to *identify alternate fishing reference points that are appropriate for the cod VPA  $M=0.8$  model* and the second new bullet was to *review and consider implementation of alternative approaches for setting yellowtail flounder catches [to be refined]*. Ms. O'Brien asked the Steering Committee and TMGC for clarity regarding these points. Usually reference points are peer reviewed so if new ones are developed between now and June 2014, it may not be cost effective to hold another meeting just to have any new reference points peer reviewed. She asked the Steering Committee co-chairs if this could be done via e-mail.

The second new bullet focuses on considering alternatives for setting catch advice for yellowtail flounder, given the retrospective pattern. Because there are no new data or new time series, another benchmark would not be useful. Ms. O'Brien reported that at the July 2013 ICES World Conference on Stock Assessment Methods, twelve different models were applied to the Georges Bank yellowtail assessment data used and all these models had similar problems as with the VPA. Mr. Fred Serchuk reported that scientists were concerned about the assessment modeling problems with Georges Bank yellowtail flounder. He indicated the NEFSC thinks that probing the data sets more closely may prove more effective. Ms. Scattolon asked what institutional body would be responsible for the new approach and Mr. Serchuk responded that the NEFSC has proposed an ad hoc group with a statement of remit, which would then seek comment and approval before moving forward. He indicated that there is support within the U.S. to move forward, and having Canadian support could prove beneficial. Ms. Scattolon agreed that Steering Committee and TMGC have grappled with various approaches for setting TACs.

Mr. Bullard noted the persistent problems with science and intense economic pressures, particularly surrounding yellowtail flounder and finding a model that works. The NEFSC is conducting an industry-based flatfish survey, and hopes that it will increase U.S. industry trust and improve the yellowtail flounder assessment.

Mr. Michael O'Connor reported that the TRAC ToR for yellowtail flounder was still open-ended so that whatever approach is established will require Steering Committee approval (i.e., the "*to be refined*" section of the new bullet will still need to be approved by Steering Committee co-chairs). He further asked that if a range of options was determined for the  $F_{ref}$  for cod, would they be peer reviewed. Ms. O'Brien responded that it is important to have an external review of these methods, so even though a benchmark assessment would not take place, it could still be reviewed via email, perhaps by the reviewers that had participated in the 2013 Eastern Georges Bank cod benchmark, and then approved by the Steering Committee co-chairs. She further indicated that the work would be done by staff at DFO and the NEFSC, including Yanjun Wang and herself. Ms. Kirsten Clark responded that using the same peer reviewers from the benchmark might not be the best option; however, Mr. Serchuk indicated that if new peer reviewers were required, the work would likely be delayed beyond June 2014. Ms. Docherty questioned the use of resources to do in-depth analyses on a number that is negotiated

through the TMGC process, and therefore may change. Mr. Serchuk responded that the peer review is needed to determine if updated reference points are technically valid and scientifically appropriate. Mr. Nies indicated that peer review is necessary and that the Council could continue to provide a peer reviewer, and he further suggested the perhaps the Council's Science and Statistical Committee could provide two additional reviewers and Canada could provide one.

Ms. O'Brien stated that TRAC would need a second day at the TRAC meeting should  $F_{ref}$  for cod be peer reviewed. Ms. Scattolon stated that the Steering Committee could provide assistance by approving the TRAC ToR and suggesting peer reviewers. Ms. Scattolon reiterated that the TRAC ToR must be approved by the end of calendar year 2013.

It was agreed that Ms. Clark and Ms. O'Brien would finalize the wording for the new bullets of the TRAC ToR and these issues would be discussed by the Steering Committee co-chairs during a teleconference late in October 2013.

In addition to updating reference points, Mr. Nies questioned whether the smoothing approach should be revisited to evaluate if it is performing as intended. This topic was included in the TMGC agenda, but there was not sufficient time to address it. He proposed asking the TRAC to consider reviewing the smoother function.

Ms. Clark pointed out that there are Internet issues regarding the posting of TMGC and TRAC updates to the websites. Mr. Mark Craig advised that a refresh of the department's website was underway and that the Integration Committee was working internally to address these challenges.

#### TRAC Protocols for Submission of Working Papers

Ms. O'Brien explained that the new protocols for the submission of working papers to TRAC were developed in response to late submissions that have occurred from time-to-time. She requested approval of the protocols. These protocols, once approved, would be posted on the TRAC website.

It was suggested that the wording in the protocols document could be changed to read 'internal working papers' rather than 'internal assessments.' The Steering Committee agreed to the proposed protocols.

#### **Transboundary Management Guidance Committee Report**

Mr. O'Connor and Mr. Stockwell presented the report on the TMGC meeting held on September 10-11, 2013. Mr. O'Connor indicated that TMGC did not get through its entire September agenda; consequently, TMGC would be proposing a conference call in October in addition to its intercessional in early 2014.

#### TMGC Guidance Document

Mr. O'Connor advised that the TMGC was dealing with a new model, without an updated  $F_{ref}$  for cod. A recommended catch of 700 mt was in keeping with TMGC's mission of keeping fishing mortality low and increasing stock biomass. Mr. Stockwell reported that cod and yellowtail flounder were the lead topics

of TMGC discussions and that the TMGC guidance of 400 mt for yellowtail flounder was 20% less than last year's TAC for the species. Mr. O'Connor indicated that discussions regarding haddock were positive and that the stock appeared healthy. The TMGC recommended a haddock catch of 27,000 mt.

#### Alternative Management Strategy Updates

Mr. Stockwell indicated that Canada and the U.S. were still discussing alternative approaches to assessing the Georges Bank yellowtail flounder stock and catch advice in 2014. He reported that there was not sufficient time on the TMGC September agenda to complete discussions on this agenda item.

#### Proposed Quota Trade Process for 2014

Mr. O'Connor indicated that most TMGC members did not get the opportunity to review the Integration Committee's summary table of the Quota Trading process. TMGC will discuss the proposal via teleconference the first week of October, and could then complete the work at the TMGC intercessional in early 2014.

Mr. Bullard asked about the logistics of having the Steering Committee approve a trade if TMGC were to propose one after their call in early October. Ms. Jen Anderson advised that a placeholder conference call could be set up between the two Steering Committee co-chairs for late October (prior to the November Council meeting in the U.S.) and the co-chairs could sign off on the proposal during that call.

Mr. O'Connor indicated that the quota trading issue would need to be discussed with Canadian industry, given that Canadian TMGC members do not represent all fishing sectors. Mr. Nies raised similar concerns, hoping that a proposed trade could be discussed with U.S. industry members in late September. Mr. Nies also questioned TMGC review of the quota trading process should it not be the appropriate body to initiate a trade. Ms. Scattolon agreed that the participants in the trade would be beyond the scope of TMGC and Mr. Bullard further added that the U.S. would also be required to consult with its industry. Mr. Bullard proposed, as an example, a trade of unused fishing year 2013 Canadian yellowtail flounder for a U.S. fishing year 2014 haddock as the pilot, adding it could be a simple trade that would benefit both countries. Mr. Stirling questioned whether it would, in fact, benefit the yellowtail fishery. Mr. Bullard responded that a trade would not result in exceeding quotas and should not negatively impact the stock, if quotas were set appropriately. Ms. Heil highlighted that this was a pilot, and the intent was for future quota trades to be based on the draft TMGC working paper on quota transfers. Discussion continued on the subject, with the understanding that an agreed upon quota trade proposal would be presented to the Steering Committee by TMGC for the end of October teleconference and following TMGC's discussions in early October. In the meantime, the US would continue to work on a proposed action that would formalize the mechanism for such a trade.

It was agreed to hold an October 28 or 29, 2013, Steering Committee teleconference call to discuss the prospect of a quota trade and to reach consensus on the TRAC Terms of Reference.

### TMGC Draft Agenda

Mr. O'Connor reported that an amendment made to the TMGC draft agenda may be required after the October TMGC and Steering Committee teleconferences. Ms. O'Brien indicated that the  $F_{ref}$  regarding the VPA  $M=0.8$  model could go under Item III of the TMGC agenda.

### **Closing Remarks**

The spring meeting was established as a teleconference for the morning of April 4, 2014. It was agreed that one agenda item for that teleconference would be a report from the TMGC intercessional.

It was further agreed that the September meeting would take place in Boston on the morning of September 11, 2014. TMGC would take place on September 9 and 10, 2014.