



## Frequently Asked Questions for the Atlantic Highly Migratory Species (HMS) Bluefin Tuna Individual Bluefin Quota (IBQ) Program

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### BACKGROUND INFORMATION

#### *What is the purpose of the IBQ program?*

- The program requires vessels fishing with pelagic longline gear (that hold an Atlantic Tunas Longline permit and necessary limited access swordfish and shark permits) to account for incidental bluefin tuna landings and dead discards using individual bluefin quota allocation. The program also enables Purse Seine category participants to lease IBQ allocation to and from pelagic longline participants.
- The program prohibits the use of pelagic longline gear if/when a vessel’s IBQ has been caught.

### ***What are the objectives of the program?***

- Limit the amount of incidental bluefin landings and dead discards in the pelagic longline fishery;
- Provide strong incentives for pelagic longline vessel owners and operators to avoid bluefin tuna interactions, and thus reduce bluefin dead discards;
- Provide flexibility in the quota system to enable pelagic longline permit holders and Purse Seine category participants to obtain bluefin quota from other permit holders with available individual quota in order to enable full accounting for bluefin landings and dead discards, and minimize constraints on fishing for target species;
- Balance the objective of limiting bluefin landings and dead discards with the objective of optimizing fishing opportunities and maintaining profitability; and
- Balance the above objectives with potential impacts on the directed permit categories that target bluefin tuna, and the broader objectives of the 2006 Consolidated Atlantic Highly Migratory Species (HMS) Fishery Management Plan (FMP) and the Magnuson Stevens Act.

### **DEFINITIONS**

#### ***What are the definitions of terms used in the IBQ program for pelagic longline IBQ?***

- **IBQ Quota:** The amount of quota available for distribution to the eligible Atlantic Tuna Longline permitted vessels, which will typically be the total Longline category quota (which is 8.1% of the U.S. quota) plus 62.5 mt. The initial amount of IBQ quota for 2015 will be 137.3 mt, unless adjusted as required by ICCAT recommendations.
- **IBQ Share:** The share amount (percent) of the IBQ quota assigned to an eligible permit. Permits are assigned one of three defined share amounts (high, medium, or low tier), based upon the eligibility criteria and the relevant vessel history.
- **IBQ Allocation:** The amount of quota that is allocated to an eligible permitted vessel for a particular year (in metric tons or pounds). The annual IBQ Allocation is calculated by multiplying the IBQ Share (percentage) by the amount of the IBQ Quota. IBQ allocation may be leased among eligible permitted vessels with valid Atlantic Tunas Longline permits and Purse Seine category participants. Allocation can be used to account for bluefin landings or dead discards, or can be transferred (leased) to another eligible permitted vessel/participant.
- **Regional Designation:** Pelagic longline (PLL) shares are designated as “Atlantic” (PLL ATL) or “Gulf of Mexico” (PLL GOM), based on the region in which the qualified vessel associated with the eligible permit historically landed bluefin.
- **Regional Percentage:** For each IBQ share, the percentage assigned to each Regional Designation. Regional percentage determines the share (and resultant allocation) between the two pelagic longline Regional Designations (for example 60% PLL ATL and 40% PLL GOM).
- **Regional Allocation** The amount of quota that is allocated to an eligible permitted vessel for a particular year (in metric tons or pounds) in each share category (PLL ATL or PLL GOM).

#### **IBQ Account Definitions:**

- **IBQ Account:** In order to participate in the IBQ program, Atlantic Tunas Longline permit holders and Purse Seine category participants must create an account in the IBQ system,

which is the administrative system NMFS uses to track IBQ transactions (e.g., bluefin tuna landings and dead discards, IBQ quota balances, and IBQ leases among eligible permitted vessels).

- **Transfer (lease) in:** When allocation is transferred in to a vessel account, either from a lease from another shareholder, or to a transfer from another vessel account owned by the same shareholder.
- **Transfer (lease) out:** When allocation is transferred out of a vessel account, either to lease the allocation to another shareholder, or to transfer the allocation to another vessel account owned by the same shareholder.

## SCOPE OF THE IBQ PROGRAM

### *Who needs to pay attention to these IBQ rules?*

- Any pelagic longline permit holders or purse seine category participants, as well as dealers that purchase bluefin from such individuals, should become familiar with these rules.

## ELIGIBILITY

### *Who is eligible to participate in the IBQ program?*

- Atlantic Tunas Longline permit holders, vessel owners and operators permitted to fish under an Atlantic Tunas Longline permit, and Atlantic Tunas Purse Seine participants.

### *Who may create an account in the online IBQ system?*

- IBQ program participants;
- Holders of a valid Atlantic Tunas Longline permits and holders of a valid NOVESID;
- Atlantic Tunas Purse Seine category participants; and
- Atlantic Tunas and Swordfish Dealer permit holders.
  - Dealers who intend to purchase landings from vessels catching bluefin tuna with pelagic longline gear or purse seine gear need an account. Only dealers with IBQ dealer accounts can purchase bluefin tuna caught using longline or purse seine gear.

### *Who is eligible to receive initial IBQ shares?*

- To be eligible to receive bluefin tuna quota shares, a Atlantic Tunas Longline permit holder must meet the following criteria:
  - The permit must have been associated with an “active” vessel at the time of publication of the proposed rule (August 21, 2013).
  - “Active” vessels are defined as vessels that have reported at least one set in the HMS logbooks using pelagic longline gear from 2006 through 2012.
- Atlantic Tunas Longline permit holders with eligible permits that are not currently associated with a vessel, such as a permit characterized as “No Vessel ID,” are eligible to receive an initial IBQ share but would not be eligible to receive the IBQ allocation until the permit is reassociated with a vessel.

- NOTE: Permit holders with valid Atlantic Tunas Longline permits that do not meet the initial IBQ share eligibility criteria (and are associated with a vessel) may obtain IBQ allocation through a lease, as explained below.

***Who may lease IBQ allocation?***

- Allocation may be leased annually by Atlantic Tunas Longline category permit holders from other Atlantic Tunas Longline category permit holders or from Purse Seine category participants, regardless of whether they are eligible for their own IBQ share, ***provided the permit holder/participant activates their account in the IBQ system (as explained under Electronic IBQ System Requirements below)***.
- Permit holders with valid Atlantic Tunas Longline permits that do not meet the initial IBQ share eligibility criteria (ineligible permits) may obtain IBQ allocation through a lease.
- Atlantic Tunas Longline permit holders with ineligible permits that are not associated with a vessel, such as a permit characterized as “No Vessel ID,” may not lease IBQ, until or unless the permit is reassociated with a vessel. Such a vessel would be required to lease IBQ allocation before fishing with pelagic longline gear.

***How can new entrants to the fishery obtain IBQ shares or allocation?***

- New entrants to the pelagic longline fishery must:
  - obtain an Atlantic Tunas Longline permit with associated IBQ share and allocation;
  - obtain an Atlantic Tunas Longline permit with IBQ share, and, if no allocation is remaining, transfer (lease) IBQ allocation;
  - obtain an Atlantic Tunas Longline permit without IBQ share and transfer (lease IBQ allocation)
- New entrants are responsible for ensuring that they meet all new (*i.e.*, electronic monitoring, vessel monitoring system) and previously existing requirements for the pelagic longline fishery operations.
- New entrants need to establish an IBQ shareholder account and a corresponding vessel account. The IBQ shareholder account defines ownership of the permit and associated vessels. In addition, permit holders will need a shareholder account to hold shares when/if NMFS authorizes the sale of IBQ shares in a future rulemaking.
- See the step-by-step process for creating an IBQ system account on page 14, *How can a fisherman or dealer set up an account?* Additional information on account setup will be sent in a future mailing.

***What is the relationship between the Atlantic Tunas Longline permit and the IBQ share?***

- Upon implementation of Amendment 7, the IBQ share is associated with the Atlantic Tunas Longline permit, and is not severable at this time.
  - For example, if a permitted vessel has IBQ shares, and the owner of the permitted vessel decided to sell the permit but keep the vessel, the seller of the permit (the vessel owner) would no longer have any privileges with respect to the IBQ program.
  - In contrast, the buyer of the permit would have the eligibility for the IBQ shares associated with that permit (although the permit buyer would need to put that permit on a vessel in order to receive the resultant IBQ allocation derived from that share).

### ***Who is eligible to receive IBQ allocation from shares?***

- To receive initial IBQ allocation in 2015, IBQ shareholders must have
  - 1) An shareholder account in the IBQ system (<https://ifq.sero.nmfs.noaa.gov/ifqgt/main.html#>), and
  - 2) A valid Atlantic Tunas Longline permit associated with a vessel.
- To receive initial allocation for 2015, purse seine participants must have an active shareholder account.
- Permit holders are encouraged to renew permits in a timely manner to minimize the risk of delays in receiving IBQ allocation.
- In order to receive allocation on January 1 of a given year, both criteria must be met by 6 p.m. on December 31 of the previous year (*i.e.*, close of previous day). **Shareholders who do not meet the criteria to receive allocation on January 1 will not receive allocation on January 1.**
  - After January 1, IBQ shareholders that are not eligible to receive IBQ allocation because the relevant permit was not renewed and/or on a vessel as of January 1, may receive IBQ allocation at the time the valid permit is associated with a vessel.
- To receive full allocation in 2016 (and years beyond), pelagic longline and purse seine shareholders will have to “balance the books” and account for all bluefin interactions and dead discards that occurred during the previous year.

### ***What are the requirements a pelagic longline vessel must meet to go fishing?***

- Pelagic longline vessels must have a valid Atlantic Tunas Longline permit, and valid limited access shark and swordfish permits (*i.e.*, a “triple pack”).
- Permit holders must log in and activate their IBQ system accounts.
- Permit holders must transfer allocation from their shareholder account to their vessel account.
- Permit holders must have a vessel monitoring system (VMS) to report bluefin catches. See the Amendment 7 Compliance Guide (<http://www.nmfs.noaa.gov/sfa/hms/documents/fmp/am7/index.html>) and the HMS Commercial Fishing Compliance Guide (<http://www.nmfs.noaa.gov/sfa/hms/compliance/guides/index.html>) for more information.
- **Effective June 1, 2015**, permit holders will be required to have an installed, operational and certified electronic monitoring system. See the Amendment 7 Compliance Guide for more information.
- Permit holders must ensure that their pelagic longline vessels are fully compliant with all other applicable regulations, such as those specific to HMS fisheries, general Magnuson-Stevens Act regulations, and U.S. Coast Guard regulations.

### ***Are the IBQ program requirements all going into effect in 2015?***

- NO; As explained below (“*What is Important to Know about the IBQ Program in 2015*” and “*What are the New Requirements that will be effective in 2016*”), the requirement for a minimum IBQ allocation for a permit holder to depart on a fishing trip using pelagic longline gear will be effective January 1, 2016, rather than the originally-proposed January 1, 2015. The later effective date will provide flexibility for IBQ participants to adapt their fishing practices by allowing some accrual of quota debt beyond the trip level in the initial year, while still requiring annual accountability for that quota debt, and provides time for permitted

vessel owners or operators to become familiar with the new IBQ, VMS, and electronic monitoring systems and requirements.

***What is important to know about the IBQ program in 2015?***

- **As of January 1, 2015, all bluefin tuna catch (dead discards and landings) will be accounted for through the electronic IBQ system and deducted from the vessel's IBQ allocation.**
- If the amount of bluefin tuna catch for a particular trip exceeds the amount of allocation available to the vessel, the permitted vessel is considered to have a “**quota debt**” equal to the difference between the catch and the allocation. For example, if a vessel has an allocation of 0.40 mt (882 lb), and catches 0.50 mt (1,102 lb) of bluefin tuna on a trip, that vessel would have a quota debt of 0.10 mt (220 lb).
- If a vessel has quota debt, it may continue to fish and complete the trip, and will be responsible for resolving all quota debt.
- During 2015, vessels may depart on subsequent fishing trips with pelagic longline gear even when it has quota debt. However, quota debt will accrue throughout the 2015 fishing year, and a vessel will be responsible for accounting for all bluefin catch at the end of the year.
- If, by the end of 2015, a permit holder does not have adequate allocation (obtained through leasing) to settle their vessel's quota debt, the vessel's allocation will be reduced in the amount equal to the quota debt in the subsequent year or years until the quota debt is fully accounted for. In 2016, a vessel will not be allowed to fish if it has outstanding quota debt.
- **Therefore, if a vessel accrues quota debt on a trip, NMFS strongly recommends that the vessel resolve any quota debt by acquiring additional IBQ allocation through leasing prior to departing on a subsequent fishing trip with pelagic longline gear, or as soon as possible.**

***What are the new requirements that will be effective in 2016?***

- Starting in 2016, vessels with a quota debt cannot fish with or have or have pelagic longline gear onboard until the quota debt is settled by leasing allocation for the appropriate region and applying the leased allocation to settle the quota debt permit;
- Starting in 2016, before departing on a fishing trip, a vessel with an eligible Atlantic Tunas Longline category permit that fishes with or has pelagic longline gear onboard, must have the minimum IBQ allocation for either the Gulf of Mexico or Atlantic, depending on fishing location. The minimum IBQ allocation for a vessel fishing in the Gulf of Mexico, or departing for a fishing trip in the Gulf of Mexico, is 0.25 mt ww (551 lb ww). The minimum IBQ allocation for a vessel fishing in the Atlantic or departing for a fishing trip in the Atlantic is 0.125 mt ww (276 lb ww);
- Starting in 2016, a vessel owner or operator may not declare into or depart on a fishing trip with pelagic longline gear onboard unless it has the relevant required minimum IBQ allocation for the region in which the fishing activity will occur.

***What are the requirements a purse seine vessel must meet to go fishing?***

- Purse seine participants must have a valid Atlantic Tunas Purse Seine permitted vessel.
- Purse seine participants must log in and activate their IBQ system accounts.
- Purse seine participants must transfer allocation from their shareholder account to their vessel account.

- Purse seine participants must have a vessel monitoring system (VMS) to report location, hail into and out of the fishery, and report bluefin catches. See the Amendment 7 Compliance Guide for more information (<http://www.nmfs.noaa.gov/sfa/hms/documents/fmp/am7/index.html>).
- Purse seine participants must ensure that their vessels are fully compliant with all other applicable regulations, such as those specific to HMS fisheries, general Magnuson-Stevens Act regulations, and U.S. Coast Guard regulations.

## **ALLOCATION AND SHARES**

### ***How is the quota available to the IBQ program determined?***

- There are two bluefin quota categories, Atlantic Tunas Longline and Purse Seine, that can participate in the IBQ system. Each category has a corresponding quota. The quota for each category is a portion of the U.S. bluefin 2015 quota of 923.7 mt (unless changed by ICCAT recommendation).
- The pelagic longline IBQ quota is the total bluefin quota allocated to the Longline category. Under Amendment 7 to the 2006 Consolidated HMS FMP, the initial Longline category IBQ quota for 2015 is 137.3 mt.
- The purse seine quota is the total bluefin quota allocated to Purse Seine category participants. Under Amendment 7 to the 2006 Consolidated HMS FMP, the initial Purse Seine category quota for 2015 will be based on 159.1 mt, but will likely be less than 159.1 mt as a result of the Annual Reallocation measure.
- A category's quota may change from year to year due to fleet-wide adjustments to account for over- or under-harvest, individualized dead discard accounting processes, quota transfers from other categories, or changes to the overall quota as a result of changes to the ICCAT recommendations.

### ***What are the different share categories?***

- Shares are designated for two gear types: pelagic longline (PLL) and purse seine (PSG). Other gear types are not included in the IBQ program.
- Pelagic longline shares are designated as either "Gulf of Mexico" (PLL GOM) or "Atlantic" (PLL ATL) regional share categories.
  - The amount of shares of each regional designation is based on the location of sets associated with the qualifying vessel's fishing history (2006 – 2012).
- All purse seine shares are designated as "Atlantic" (PSG ATL).

### ***How are the different share categories used?***

- Gulf of Mexico allocation (PLL GOM) may be used to account for bluefin landings or discards in the Atlantic or in the Gulf of Mexico.
- However, Atlantic allocation (PLL ATL or PSG ATL) may only be used for bluefin landings and discards in the Atlantic. Atlantic allocation may not be used to account for bluefin landings or discards in the Gulf of Mexico.
- If a vessel has fishing history in both the Gulf of Mexico and the Atlantic, it may receive quota shares for both regions, depending upon the amount of quota share and the proportion of fishing history in the two areas.

***What is the boundary between the Gulf of Mexico and the South Atlantic?***

- The boundary coincides with the line of demarcation between the Atlantic Ocean and the Gulf of Mexico, which begins at the intersection of the outer boundary of the EEZ, as specified in the Magnuson-Stevens Act, and 83°00' W. long., proceeds northward along that meridian to 24°35' N. lat., (near the Dry Tortugas Islands), thence eastward along that parallel, through Rebecca Shoal and the Quicksand Shoal, to the Marquesas Keys, and then through the Florida Keys to the mainland at the eastern end of Florida Bay, the line so running that the narrow waters within the Dry Tortugas Islands, the Marquesas Keys and the Florida Keys, and between the Florida Keys and the mainland, are within the Gulf of Mexico.

***How is Northeast Distant Area (NED) quota managed under the IBQ program?***

- Under current ICCAT recommendations, the NED is a distinctly managed geographic area managed under specific gear/bait requirements. The NED has a separate quota associated with it. Therefore, the quota associated with the NED (25 mt) is not managed under the full IBQ program restrictions.
- Vessels fishing with pelagic longline gear may fish in the NED. Dead discards and retained bluefin will count toward the NED quota, however vessels would not be required to utilize IBQ to account for such fish provided:
  - The 25 mt NED quota has not been caught, and
  - Vessels have the minimum quota allocation amount required to depart on a trip in the Atlantic using pelagic longline gear (0.125 mt of ATL PLL quota).
- When the NED quota has been caught, vessels may continue to fish with pelagic longline gear in the NED, provided vessels have the 0.125 mt minimum quota allocation amount required to depart on a fishing trip, and the vessel accounts for all dead discards and retained bluefin using IBQ allocation, consistent with the IBQ accounting rules.
- Vessels will be required to indicate in VMS reports of bluefin catch and dead discards whether the fish were captured in the NED or outside the NED.
- Pelagic longline permit holders should closely monitor bluefin landings updates provided by NMFS on the following webpage:  
<http://www.nmfs.noaa.gov/sfa/hms/species/tunas/index.html>.

***How were the initial pelagic longline IBQ shares determined?***

- An eligible Atlantic Tunas Longline permit holder's initial IBQ share is based on:
  - the number of bluefin tuna interactions (landings, dead discards, and live discards) for the years 2006 through 2012; and
  - the amount of designated species landings (i.e., swordfish, yellowfin tuna, bigeye tuna, skipjack tuna, albacore tuna, dolphin, wahoo, shortfin mako sharks, porbeagle shark, and thresher shark) attributed to the qualified vessel based on HMS logbook data for 2006 through 2012.
- The number of bluefin interactions is then divided by the designated species landings to produce a ratio.
- Thresholds ("Bins") based on percentiles (Low: <33%, Medium: 33<66%, High 66<100%) were used to group the 135 eligible vessels by the sum of Designated Species Landings and



by the Bluefin Interactions: Designated Species Landings Ratio. Vessels were assigned scores based on the bins into which they were categorized.

Bins (Based on Percentiles)	Designated Species Landings (average lb/year)	Bluefin Interactions: Designated Species Landings Ratio
High Bin (66 - 100% )	$\geq 61,269$ (Score 3)	$< 0.2884$ (Score 3)
Medium Bin (33 - < 66%)	61,268 – 21,180 (Score 2)	0.2884 – 0.9427 (Score 2)
Low Bin (0 - < 33%)	$< 21,180$ (Score 1)	$> 0.9427$ (Score 1)

- The sum of the two scores (Designated Species Landings score plus Bluefin Interactions: Designated Species Landings Ratio score) results in a combined score (ranging from 2 to 6).
- Combined scores were separated into three Tiers: Low (2-3), Medium (4), and High (5-6). Initial quota shares depend on whether a vessel score falls into the Low, Medium, or High Tier. All vessels assigned to a particular tier were allocated the same percentage share.
- The overall pelagic longline IBQ quota for 2015 is equivalent to approximately 137mt or 302,033 lb. Permit allocations for each tier were calculated by multiplying the share (%) for each tier by 137 mt.

Tier	# of Permits	Total IBQ Shares for each Tier	Total IBQ Allocation for each Tier**
High	43	1.2040%*	1.6495 mt (3,637 lb)
Medium	61	0.6020%	0.8247 mt (1,818 lb)
Low	31	0.3712%	0.5085 mt (1,121 lb)

\* In Final Amendment 7, values for shares and allocations are shown with 2 decimal places. For example, IBQ shares are shown as 1.20%, 0.60%, and 0.37%. Those values are rounded from the 4-decimal-place values shown here, which are used in the web-based IBQ system. \*\* Conversion from mt to pounds whole weight: lb = 2204.62262 × mt. Bluefin are managed at the national and international level in metric tons. However, the IFQ system currently manages allocations to the nearest pound. Some rounding error is inherent when converting from metric tons to pounds.

- The IBQ system has two regional pelagic longline share categories, as described above: Gulf of Mexico (PLL GOM) and Atlantic (PLL ATL). A permit holder’s IBQ share was split into the two regions based on the location of the qualifying vessel’s historical landings.
- Individual scores, tiers, and quota shares are described in a letter sent to each eligible pelagic longline permit holder.

***How is pelagic longline allocation distributed each year?***

- On an annual basis, a shareholder’s quota share, expressed as a percentage, is applied to the relevant annual Longline category bluefin quota to determine the amount of annual quota allocation (measured in metric tons and pounds whole weight) associated with that permit.
- Annual allocations will be disbursed on January 1 of a given year. If an eligible permit has expired or is not associated with a vessel as of January 1, NMFS would not allocate any quota for that permit, unless or until that permit is valid and associated with a vessel.
- Any unused allocation expires on December 31 of each year.

***How do I calculate my pelagic longline allocation (weight) from my IBQ share percentage and the total Longline category quota?***

- Convert the amount of shares you hold from a percentage to a number, by dividing the percentage by 100.
  - **Example:**
    - Amount of Shares Expressed as a Percentage: 0.6020%
    - Divide 0.6020 by 100.
    - $0.6020/100 = 0.006020$
    - Amount of Shares Expressed as a Number: 0.006020
- Multiply the Longline category quota by the amount of shares you hold in that category.
  - **Example:**
    - The Longline category quota for 2015<sup>1</sup> is 137 mt (302,033 pounds).
    - Amount of Shares: 0.006020
    - **$137 \times 0.006020 = 0.8247$  mt (1,818 pounds)**
    - Therefore, the 2015 IBQ allocation for 0.60% shares is 0.8247 mt (1,818 pounds).
- Each eligible pelagic longline permit holder will receive a letter from NMFS with information on individual shares and allocations.

***Are shares transferable?***

- No, at this time shares may not be sold or transferred independent from permit transfers. If an Atlantic Tunas Longline permit is sold, any shares associated with that permit would remain associated with the permit.
- NMFS may develop and implement sale of shares through a future rulemaking.

***Can allocation be leased?***

- Yes, on an annual basis, eligible Atlantic Tunas Longline permit holders may transfer (lease) quota allocation to or from other eligible Atlantic Tunas Longline permit holders. In order to be eligible to transfer (lease) quota the Atlantic Tunas Longline permit must be valid, not expired and must be associated with a vessel. Eligible Atlantic Tunas Longline permit holders may also transfer (lease) quota to or from participants in the Purse Seine fishery.
- For a particular calendar year, an individual quota transfer (lease) will be valid from the time of the lease until December 31.
- Atlantic Tunas Longline permit holders may transfer (lease) quota allocation to vessels with Atlantic Tunas Longline permits that did not qualify to receive quota shares.

***Are there other terms of transferring quota allocation?***

- If a vessel catches bluefin tuna using quota that it has transferred (leased) from another vessel, the catch of bluefin tuna will be associated with the fishing history of the vessel that catches the bluefin tuna (the lessee, not the lessor).
  - The future catch of bluefin tuna will not affect the quota shares, but would affect the calculation of the performance metric for each vessel to access to the Cape Hatteras Gear Restricted Area.

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<sup>1</sup> Unless changed by ICCAT recommendation.

- Multiple leases (sub-leases) of quota are allowed (i.e., quota leased from vessel A to vessel B, then to vessel C).
- Transfers (leases) of allocation are limited in duration to a single fishing year (i.e., transferred allocation expires on December 31 of a given year if unused).

## APPEALS

### *How do I submit an appeal?*

- Atlantic Tunas Longline Permit holders may appeal their initial IBQ shares through the two-step process described as follows:
  - The HMS Management Division will evaluate requests from Atlantic Tunas Longline Permit holders regarding their initial IBQ shares and NMFS' determination regarding a vessel's qualification to fish in the Cape Hatteras Gear Restricted Area. Any request must be postmarked no later than March 2, 2015, be in writing, and indicate the reason for the request, and contain documentation supporting the request (see the document titled "Appeals" for more detailed information). The HMS Management Division will evaluate the request and supporting documentation, and notify the appellant by a written Initial Administrative Determination regarding a decision to approve or deny the request. The Initial Administrative Determination will explain the basis for any denial decision.
  - Within 90 days after the date of issuance of the IAD, the permit holder may appeal the Initial Administrative Determination to the NMFS National Appeals Office.
- **Step 1: Submit an appeal to HMS.**

1) You should prepare a letter that outlines the appeal and includes attached documentation in support of the appeal. Appeals may be submitted to:  
*Highly Migratory Species Management Division, NOAA Fisheries Service, 1315 East-West Highway, Silver Spring, MD 20910*

2) The items subject to adjustment and appeals include the following:

#### **IBQ Program**

- Initial eligibility for quota shares
- Accuracy of NMFS HMS pelagic longline logbook records
  - Designated species landings
  - Bluefin interactions
- Correct assignment of target species landings and bluefin interactions to the vessel owner/permit holder.
- Historical changes in ownership or permit transfers.

#### **Cape Hatteras GRA Access**

- Accuracy of NMFS records:
  - Designated species landings
  - Bluefin interactions
  - Permit holder / vessel owner interactions with the Pelagic Observer Program (POP), POP information
  - HMS pelagic longline Logbook mailing records
- Correct assignment of target species landings and bluefin interactions to the vessel owner/permit holder.
- Historical changes in ownership or permit transfers.

3) The following documentation will be accepted in support of an appeal:

- Landings eligibility criteria require evidence of documented legal landings, i.e. official NMFS HMS PLL logbook records or weighout slips for landings from January 1, 2006,

through December 31, 2012, that were submitted to NMFS prior to March 2, 2013 (60 days after the cutoff date for eligible landings).

NMFS will count only those designated species landings that were landed legally when the owner had a valid permit.

Appeals based on landings data or permit history will be based on NMFS HMS PLL logbook data, weighout slips, verifiable sales slips, receipts from permitted dealers, state landings records, and permit records.

Appeals based on bluefin interactions may be based on HMS PLL logbook records as described, observer data, or other NMFS data.

- No other proof of catch history will be considered.
- NMFS permit records will be the sole basis for determining permit transfers.

4) HMS Management Division staff will evaluate all requests and accompanying documentation, then notify the requestor by letter whether the appeal is approved or denied.

5) If the request is approved, then NMFS will issue the appropriate adjustment to the initial quota share and allocation and/or access determination. If denied, the permit holder may appeal the initial Agency determination within 90 days of receipt of the notice of denial by submitting a written petition of appeal to the NMFS National Appeals Office.

• **Step 2: If HMS denies an Appeal, You May Still Appeal to the NMFS National Appeals Office.** NAO regulations can be found at 15 CFR part 906.

1) A potential appellant should submit a written petition of appeal to the NAO. Written petitions of appeal should be submitted by fax; if appellants do not have access to a fax machine they could submit a petition by mail.

- Fax: 301-713-2384
- Mail: Chief, National Appeals Office, 1315 East-West Highway, Silver Spring, MD 20910

2) The Petition for Appeal should contain the following:

- A copy of the initial appeal submitted to the HMS Management Division.
- Explanations of:
  - i. How the initial determination directly and adversely affects him/her.
  - ii. How the initial determination is inconsistent with law/regulations governing the initial determination.
- Whether the appellant requests a hearing, or prefers that an appellant officer make a decision based on the NAO case record without a hearing.
- Additional documentation in support of the appeal (any documentation submitted to the HMS Management Division or new documentation).
- Whether the appellant has a representative, and contact information for said representative.
- An address of record whereby all communications regarding the appeal may be directed. The appellant **SHOULD ONLY** provide an address that will be monitored regularly by the appellant or the appellant's representative.

3) Appellants may request 1 extension to submit appeals and documentation.

4) After the appellate officer closes the evidentiary portion of the case record, NAO will issue a written decision based on the case record – decision is final for purposes of judicial review in

**30 days.**

- 5) Parties may file a motion for reconsideration of an NAO decision within **10 days** of the issuance of the decision.
- 6) If the appeal is granted, NMFS would have 30 days to implement the decision following the final decision submitted by the NAO.

***What effect will appeals have on initial allocation of IBQ shares?***

- When NMFS determines that all the requests for quota share adjustments and appeals have been finalized, NMFS may adjust all quota share percentages in order to accommodate permitted vessels that have been deemed eligible or provided an increased quota share through the appeals process.

***How will allocation be handled for permit holders that are engaged in an appeals process?***

- Permit holders eligible for allocation who are appealing to be placed in a higher IBQ share tier will be able to utilize quota within the tier they were initially placed. Once the permit holder's IBQ is exhausted, s/he will have to transfer additional IBQ from other pelagic longline or purse seine shareholders.
- If an appellant/permit holder is not eligible for quota allocation, they may not participate in the IBQ program unless they first lease quota.

**ELECTRONIC IBQ SYSTEM REQUIREMENTS**

***What are the electronic requirements for the IBQ system (prior to fishing)?***

- The administrative functions associated with this IBQ program, such as account setup, landing transactions, and allocation leases, are designed to be accomplished online; therefore, all IBQ system users (including dealers that buy HMS from Atlantic Tunas Longline permitted vessels or Purse Seine category participants landing or discarding bluefin) must have access to a computer and Internet access and must set up an appropriate IBQ system account to participate.
- The website can be found at <https://ifq.sero.nmfs.noaa.gov/ifqgt>.
- Instructions for setting up accounts will be made available on the SERO IFQ Portal website and sent in a future mailing.

***What type of account does a participant need?***

- Participating Atlantic Tunas dealers need an IBQ dealer account to complete landing transactions.
- Participating vessels/participants in the IBQ system (Atlantic Tunas Longline permitted vessels or Purse Seine category participants) need an IBQ shareholder account, which is used to manage shares and allocation.
- Shareholder's must have a vessel account for each permitted vessel that interacts with or fishes for and lands bluefin. Vessel accounts are created through the shareholder account. Further information on creating accounts will be distributed directly to permit holders through a mailing.
  - The purpose of the vessel account is to hold IBQ allocation required to land bluefin.

- Vessel accounts can only hold allocation for use in accounting for bluefin catch using IBQ allocation or leasing IBQ allocation. Vessel accounts cannot hold shares.
- IBQ Allocation can be transferred **into** a vessel account from any IBQ shareholder account. However, allocation can only be transferred **out of** a vessel account by the shareholder account for which it is associated. In other words, a lessor can transfer IBQ allocation from his/her shareholder account into a vessel account held by a lessee. The transfer must happen by actions taken by the lessor, since the lessee cannot pull IBQ allocation from other accounts.
- Individuals that own several vessels will need to establish separate shareholder accounts if each vessel/business has been separately incorporated. Individuals holding multiple vessels under a single entity need to establish multiple vessel accounts under a single shareholder account.
- Individuals who did not qualify for initial IBQ shares still need to establish an IBQ shareholder account and a corresponding vessel account in order to participate in the IBQ program. The IBQ shareholder account is based upon ownership of the permit holder and ownership of associated vessels.

***How can a fisherman or dealer set up an account?***

- For shareholder and dealer accounts, participants must log in to the electronic IBQ system using the UserID and personal identification number (PIN) sent by NMFS in a separate mailing.
  - New account holders will be prompted to change their PIN when first logging in to the system.
- In order to lease quota or participate in the IBQ program as a new entrant, an Atlantic Tunas Longline permit holder must create an online account by completing an IBQ Online Account Application. Assistance is available by contacting IBQ Support at 301-427-8591 or [NMFS.HMS.IBQ@noaa.gov](mailto:NMFS.HMS.IBQ@noaa.gov).
  - After the new user account is created by IBQ Support, a package will be mailed to the new user with information for setting up the account, including information for accessing the online IBQ system and a letter containing the UserID.
  - The PIN for their IBQ account will be sent in a separate letter for security purposes.
  - Because the information must be mailed to the new account holder, it may be a few days before the account may be accessed by the participant.
- Assistance with transferring allocation or other online functions is available from IBQ Customer Service, 301-427-8591, Monday through Friday between 8:00 a.m. and 5:00 p.m. Eastern time, or [NMFS.HMS.IBQ@noaa.gov](mailto:NMFS.HMS.IBQ@noaa.gov).
- Shareholders can transfer allocation from their shareholder account to their vessel account. Shareholders can only land up to the amount of allocation in their vessel account.
- New dealers are not required to complete an IBQ Online Account Application, but need to contact IBQ Support in order to create an account.

## ACCOUNT INFORMATION

### ***How is the Atlantic Tunas Longline permit related to my account?***

- An IBQ account must be related to an Atlantic Tunas Longline permit in order to harvest IBQ species. The same names must be on both the IBQ account and Atlantic Tunas Longline permit. Any change of names on a permit (e.g. adding or removing a spouse or partner) will separate the permit from the IBQ account. A new IBQ account must then be established based on the names on the permit.

### ***When the Atlantic Tunas Longline permit holder's name(s) or business name(s) change, how does this affect my IBQ Account?***

- If the permit holders or entities have changed, the permit is no longer related to your IBQ account. You must call IBQ Customer Support (301-427-8591; 8 a.m. and 5 p.m. Monday through Friday, or [NMFS.HMS.IBQ@noaa.gov](mailto:NMFS.HMS.IBQ@noaa.gov)) to establish a new IBQ account that will match the name(s) on the permit.
- Please allow adequate time to establish an IBQ account, as it may take a few days for the new account's sign-on and password to be mailed to you.

### ***If my permit is transferred to another vessel, how does this affect my IBQ account?***

- Any vessel without an associated Atlantic Tunas Longline permit needs to transfer the allocation back to the shareholder account. Vessels without an associated Atlantic Tunas Longline permit are inactive and cannot be used to harvest IBQ species.
- If the vessel was not previously in the IBQ system, you will need to create a vessel account through your shareholder account. Before a vessel can be associated with an IBQ account the relationship between the permit, vessel and IBQ account must be established.
- If the vessel was previously in the IBQ system, the vessel account must be manually moved between IBQ accounts by IBQ IT staff. Before a vessel account can be transferred to a different IBQ account, all allocation in that vessel account must be transferred back to its shareholder account. You may contact IBQ Customer Support to begin the process. As this process is dependent upon the previous owner's transfer of allocation from the vessel account to the shareholder account this may take several days to complete.
- If you sell your permit to another vessel owner, the quota share is associated with the permit and will go to the new owner. This applies to any permits sold after the date of publication of the proposed rule (August 21, 2013).
- If a person acquires a vessel issued a valid Atlantic Tunas Longline permit, and the signed bill of sale documenting the vessel sale is silent with respect to whether or not the Atlantic Tunas Longline permit is included with the sale of the vessel, NMFS will consider the sale of the Atlantic Tunas Longline permit to have occurred as part of the vessel sale.

## VMS REPORTING OF BLUEFIN TUNA

### ***Do I have to report my bluefin catch through my vessel monitoring system?***

- Yes, in addition to the current requirements to declare into the HMS fishery ("hail out"), and provide advance notice of off-loading ("hail in"), you will be required to report all bluefin

tuna retained, discarded dead, or released alive through a new reporting form available on your VMS unit.

- For each set, the date and area of the set, the number of hooks and the length of all bluefin retained and the length of all bluefin tuna discarded dead, must be reported within 12 hours of the completion each pelagic longline set haul-back. NMFS will provide an example of this form and detailed instructions for vessel operators.
- Please see the HMS Commercial Compliance Guide for a summary of VMS regulations (<http://www.nmfs.noaa.gov/sfa/hms/compliance/guides/index.html>). Regulations change often. In the case of discrepancy between the Compliance Guides and the Regulations (see [www.ecfr.gov](http://www.ecfr.gov); Title 50 (Wildlife and Fisheries); Chapter VI; 635 Highly Migratory Species), commercial fishermen must comply with the regulations.

## **LANDING AND DISCARD REPORTING AND TRANSACTIONS AT TIME OF LANDING**

### ***How are landing transactions completed and my bluefin catch accounted for?***

- A Federal dealer purchasing bluefin must coordinate with and obtain information from the vessel operator and record the weight of all bluefin retained and the number and length of all bluefin discarded dead on the trip in the IBQ online system.
- After the information is put into the system, the vessel operator validates the dealer transaction report by entering the unique Personal Identification Number (PIN) for the vessel account.
- The IBQ system will automatically use formulas to convert the fish lengths to weight and then estimate the equivalent amount of whole fish (pounds) that will be deducted from the account's bluefin quota allocation.

### ***What if the amount of bluefin landings and dead discards exceeds the amount of bluefin quota I have?***

- If the amount of legal size bluefin a vessel retains and the amount of bluefin discarded dead exceeds the vessel's bluefin quota allocation, the vessel operator may land the fish, but the permit holder must lease additional quota allocation from another permit holder in order to account for the excess catch.
- If the quota debt remains unaccounted for at the end of a fishing year, the debt would carry over to the next year, and any quota allocation that would otherwise be available to the vessel at the start of the year (if the permit is eligible for quota shares) would be used to account for the quota debt.
- Starting in 2016, the vessel is not allowed to fish with pelagic longline gear until the quota debt is fully accounted for.

## **MISCELLANEOUS**

### ***When will the IBQ program be evaluated?***

- NMFS will formally evaluate the success and performance of the IBQ program in achieving its objectives after three years of operation.



- NMFS will provide the HMS Advisory Panel with a publicly-available written document with its findings. This document will also be made available on the HMS webpage.

***Are cost recovery fees collected for the IBQ program?***

- A cost recovery program will not be implemented until after the IBQ program evaluation, after 3 years of operation.
- At that time, NMFS will develop and implement a cost recovery program to recover up to 3% of the costs required to administer, manage, and enforce the IBQ program.

***Can I lease quota or make landings transaction in the IBQ system all year long?***

- No; there is one time period during which a vessel may not lease quota or conduct a landings transaction: No IBQ transactions may occur from 6 p.m. December 31 to 2 p.m. on January 1 (Eastern Time).
- NMFS will utilize this time period to make annual updates to the IBQ system to reflect the annual quota process (annual “maintenance window”).
- IBQ participants may still account for bluefin caught at the end of a trip (with the dealer in the IBQ system) **but the catch will be deducted from the next year’s allocation.**

***How do I get answers to general questions about the IBQ program?***

- Additional information about the IBQ program is available at:
  - The HMS Management Division website  
<http://www.nmfs.noaa.gov/sfa/hms/documents/fmp/am7/index.html>
  - The “Additional Information” section of the IBQ website  
<https://ifq.sero.nmfs.noaa.gov/ifqgt>
- For general questions about the IBQ program, please call IBQ Customer Support at 301-427-8591, email [NMFS.HMS.IBQ@noaa.gov](mailto:NMFS.HMS.IBQ@noaa.gov), or call the HMS Management Division at 978-281-9260 or 301-427-8503.

## SUMMARY

### ***Is there a brief summary of what I need to remember to fish under the IBQ program?***

Below are some of the things to remember when fishing under the IBQ program:

#### Before You Depart on a Trip:

- Make sure you have an active IBQ account in the online IBQ system;
- Check your balance of IBQ allocation using the online IBQ system (during 2015, there is flexibility to fish with “quota debt”, but in 2016, you will need the minimum amount of IBQ allocation in order to depart the dock);
- Make sure your VMS software is up to date, and hail in using VMS;
- For pelagic longline vessels, check your Electronic Monitoring System to make sure it has hard drives installed, has power and is functioning properly (*required as of June 1, 2015*).

#### During the Trip:

- Report bluefin tuna catch and fishing effort through VMS;
- For pelagic longline vessels, ensure that all fish caught are handled in a manner that enables the video system to record such fish, make sure the electronic monitoring system remains powered on for the duration of each fishing trip; and clean cameras.

#### End of Trip:

- Hail out of the trip using VMS;
- Provide bluefin landings and/or dead discard information to the dealer;
- Validate the dealer transaction report by entering the unique Personal Identification Number (PIN) for the vessel account;
- Check your balance of IBQ allocation to determine if you are in “quota debt,” and obtain more IBQ allocation if necessary;
- For pelagic longline vessels, within 48 hours of completing a fishing trip, mail the removable electronic monitoring system hard drive(s) containing all data to NMFS or NMFS-approved contractor (*required as of June 1, 2015*);
- Submit your written Vessel Trip Report, just as required prior to the IBQ program.