

Since SSB is currently above 890,000 mt, the target F for 2004 is 0.25. The yield associated with that target F at the estimated stock size is 369,000 mt. The ABC recommendation of 347,000 mt represents an adjustment to the yield estimate of 369,000 mt, derived by subtracting the estimated Canadian catch of 22,000 mt from the yield estimate. The proposed IOY for the 2004 Atlantic mackerel fishery is 170,000 mt, which is equal to the proposed DAH. The specification of DAH is computed by totaling the estimated recreational catch, the proposed DAP, and the proposed JVP. The 170,000-mt proposed DAH is comprised of 15,000 mt recreational, 150,000 mt DAP, and 5,000 mt JVP.

The JVP of 5,000 mt that the Council recommends, and NMFS proposes, is a reduction from the amount specified for 2003 (10,000 mt, with the Administrator, Northeast Region, NMFS (Regional Administrator) authorized to increase it to 20,000 mt). The DAP and JVP components of DAH were historically estimated using the Council's annual processor survey, which was intended to obtain estimates of processing capacity in the domestic and joint venture (JV) fisheries. However, from 1994 through 2002, response to this voluntary survey was incomplete and did not contain projections from some large processors. For 2003 and 2004, in place of the survey, the Council relied on testimony concerning their current and projected shoreside processing capacity for Atlantic mackerel in 2003 and 2004 presented by domestic processors during its annual specification meetings. While domestic processing capacity is increasing, the Council believes, based on the best data available, that the capacity of the domestic fleet to harvest mackerel still exceeds the domestic processors' capacity to process mackerel. Therefore, the Council has recommended, and NMFS proposes, a specification of 5,000 mt of JVP for the 2004 fishery. In

previous years, to expedite an inseason adjustment to JVP, the Council specified in advance that NMFS could implement a specified inseason increase in JVP. This year there is no recommendation to expedite an inseason adjustment. However, if additional applications for JVP are received, § 648.21(e) authorizes inseason adjustments by the Regional Administrator, in consultation with the Council, during the fishing year by publishing a notification in the **Federal Register** and providing a 30-day comment period.

The Council also recommended, and NMFS proposes to maintain, a TALFF of zero. The Council believes that the development of the domestic mackerel fishery results in the greatest resource benefits to the nation. With DAP set at 150,000 mt, the Council was concerned that the perceived competition TALFF represents to U.S. processors could impede the future expansion of domestic mackerel processing facilities.

As authorized by §§ 600.501 and 600.520(b)(2)(ii), the Council recommended, and NMFS proposes, that several special conditions be imposed on the 2004 Atlantic mackerel fishery, as follows: (1) JVs would be allowed south of 37°30' N. lat., but river herring bycatch may not exceed 0.25 percent of the over-the-side transfers of Atlantic mackerel; (2) the Regional Administrator should ensure that impacts on marine mammals are reduced in the prosecution of the Atlantic mackerel fishery; (3) the mackerel optimum yield (OY) may be increased during the year, but the total should not exceed 347,000 mt; and (4) applications from a particular nation for an Atlantic mackerel JV allocation for 2004 may be based on an evaluation by the Regional Administrator of that nation's performances relative to purchase obligations for previous years.

Atlantic Squids

Loligo

The FMP defines overfishing for *Loligo* squid as occurring when the

catch associated with a threshold of the fishing mortality that produces the maximum sustainable level of yield per recruit (F_{MAX}) is exceeded (F_{MAX} is a proxy for F_{MSY}). When an estimate of F_{MSY} becomes available, it will replace the current overfishing proxy, F_{MAX} . Max OY is specified as the catch associated with F_{MAX} . The biomass target is specified as B_{MSY} .

The most recent stock assessment for *Loligo* squid (the 34th Northeast Regional Stock Assessment Workshop, 2002 (SAW-34)) concluded overfishing is not occurring and recommended that the Council maintain the catch of 20,000 mt (to include both landings and discards). Based on that advice and the assumption that the stock will be at or near B_{msy} in 2004, the Council recommended no changes from the 2003 quota level. The 2004 quota is specified as the yield associated with 75 percent of F_{msy} at B_{msy} , or 17,000 mt, based on projections from SAW-34. The regulations continue to specify Max OY as the yield associated with F_{max} , or 26,000 mt. Thus, the 2004 proposed Max OY for *Loligo* squid is 26,000 mt and the recommended ABC for the 2004 fishery is 17,000 mt.

The FMP does not authorize the specification of JVP and TALFF for the *Loligo* squid fishery, because of the domestic industry's capacity to harvest and process the OY for this fishery; therefore, JVP and TALFF are zero.

Distribution of the Annual *Loligo* Squid Quota

Since 2001, the annual DAH for *Loligo* squid has been allocated into quarterly periods. The Council and NMFS recommend no change from the 2003 quarterly distribution system. Due to the recommendation of one research project that would utilize *Loligo* squid RSA, this proposed rule would adjust the quarterly allocations from those that were proposed, based on formulas specified in the FMP. The 2004 quarterly allocations would be as follows:

TABLE 2. *Loligo* SQUID QUARTERLY ALLOCATIONS

Quarter	Per-cent	Metric tons ¹	Research set-aside
I (Jan-Mar)	33.23	5,606.7	N/A
II (Apr-Jun)	17.61	2,971.2	N/A
III (Jul-Sep)	17.3	2,918.9	N/A
IV (Oct-Dec)	31.86	5,375.6	N/A
Total	100	16,872.4	127.6

¹Quarterly allocations after 127.5 mt RSA deduction.

Also unchanged from 2003, the Council recommended that the 2004

directed fishery be closed in Quarters I-III when 80 percent of the period

allocation is harvested, with vessels restricted to a 2,500-lb (1,134-kg) *Loligo*