

**Shrimp Permit Moratorium Working Group Summary
Gulf Council Office
Tampa, FL
February 18, 2015
9:00 a.m. - 5:00 p.m.**

Members Present:

Ben Blount
Susan Gerhart
Gary Graham
Rick Hart
Michael Jepson
Walter Keithly
Morgan Kilgour
Christopher Liese
Jim Nance
Jim Tolan
Mike Travis

Council Member

Corky Perret

NMFS-SERO Staff

Jennifer Lee

Others present

Sal Versaggi
Glenn Delaney
John Williams

Council Staff

Karen Hoak
Ryan Rindone

The Shrimp Permit Moratorium Working Group met on February 18, 2015, at the Gulf Council office in Tampa, Florida. The group was presented with the Shrimp Permit Moratorium Scoping Document (Shrimp Amendment 17) and the options that the Council has. The Council may allow the moratorium to expire, extend the moratorium, or create a permanent limited access system. The group was charged with reviewing methodologies to address: catch per unit effort (CPUE), biological yield, economic yield, effort and permit activity status.

The group discussed the MSY outputs of the Model that Rick Hart presented. This item will be addressed in Shrimp Amendment 15.

CPUE for fishery independent data and fishery dependent data were presented. Overall, CPUE over the time period considered (2000 through 2013) has increased but relative stability (for all three penaeid species) was observed during the most recent 4-year period. The Council will have to discuss the management tradeoff between maximizing CPUE vs. maximizing landings.

The group discussed the different data sources for landings and permit activity. The number of permits has declined; the number of terminated permits spiked in 2010. The group discussed how permits are terminated and transferred. Permits are terminated by non-renewal. Law enforcement can revoke a permit based on an enforcement action. For permit activity over time, there are a couple hundred permits each year that are not reporting landings. Most permits land between 10,000 and 150,000 lbs. Analyses could be done to determine if the same permits are not fishing

from year to year, but the analysis would be complex. It was noted that there are many vessels that are considered “not fishing” but are pursuing other fisheries. Other non-fishing permits are for site permits (people that are trawling for reasons other than shrimping) and need to maintain a valid permit for these sporadic purposes because they may harvest shrimp when engaging in these activities. It was noted that the annual landings survey (ALS) that NMFS sends to all permit holders allows them to self-report landings and helps to avoid problems with dealer compliance. There is congruency between the ALS and the Gulf Shrimp Survey (GSS) with respect to landings. It was also clarified that the GSS data are what are used in the CPUE estimates. The metrics used to calculate CPUE were approved by the group.

Permit activity status was discussed by the group. Several analyses could be conducted including: number of transfers per year, vessel number changes by year, number of active permit holders, vessel lists to look at exit/entry, vessel age, vessel owner age, and landings by permit. It was decided that for permit activity, it may be more appropriate to address landings by permit and not necessarily transfers of permits. It was noted that landings history is attached to the permit and transfers with the permit. The group also thought that the number of new entrants into the fishery would be useful. During discussion it was noted that permits are currently worth upwards of \$7000. For the qualification levels, if the Council chooses to add this analysis, latent permits- defined as “those with no landings”- could be addressed according to certain time periods (such as all years or certain number of years). The group felt that these data should come from multiple databases. Industry representatives were concerned with a reduction based on no landings. Expense and upkeep of vessels could be why there are no landings. It was noted that these analyses may not be necessary if the Council is not interested in reducing the number or permits but instead would like to maintain the number of permits. Additional analyses that would be useful is to determine if the same permits and proportion of permits are latent from year to year, or if this ratio of active: latent permits has changed.

For economic analyses, there was discussion on the current state of the fishery shrimp ex-vessel revenue has likely gone up in the past couple of years even though landings have been relatively stable because shrimp prices have increased. However, the cost of fuel has also gone up. Economic conditions that were presented to the group include: price of fuel, price of shrimp, shrimp landings per gallon of fuel, and the annual revenue divided by the annual fuel cost. Other analyses not already covered in discussion include: fuel cost per day, annual fuel usage, % of total cost that is fuel, labor cost per day, and net revenue and returns. The moratorium as is, is probably not binding, but it acts as an insurance policy for the future in case the situation of the fishery changes. There was some discussion on the decrease in infrastructure of the fishery. There was some discussion on the decrease in service businesses that support the shrimp industry. These support businesses are important to the communities that depend upon them.

The community make-up of the shrimp fishery was presented by regional quotient or what percentage shrimp makes up of each community’s total harvest. The regional quotient is derived from inshore and offshore harvest. Communities were Gulf-wide. The analysis indicates that

dependency on the shrimp fishery is not equally shared among communities. For some communities, shrimp is the dominant species caught. Social vulnerability indices were also looked at for different communities such as poverty, population composition, and personal disruption. Some communities have infrastructure for other forms of employment and livelihood. Resilience and vulnerability tend to be strongly related to how dependent on the shrimping industry the community is. Other analyses that will be included in the future are: the regional quotient over time, commercial engagement reliance measures and, if possible, comparisons of social vulnerability over five years.

The group was presented with a summary of the Shrimp Biological Opinion. There was discussion on what different scenarios would trigger a consultation. It was explained that any action may trigger a consultation.

The meeting was adjourned at 4:45 p.m.