

## **1. What does Amendment 13 to the Gulf of Mexico Shrimp Fishery Management Plan do?**

Amendment 13 establishes: an endorsement for royal red shrimp to the existing federal shrimp vessel permit (Action 1); defines maximum sustainable yield, optimum yield, overfishing threshold and overfished condition for the royal red and penaeid shrimp stocks of the Gulf of Mexico (Action 2 through 7); establishes standardized bycatch reporting methods (Action 8); requires the completion of a Gulf Shrimp Vessel and Gear Characterization Form (Action 9); establishes a 10-year moratorium on the issuance of commercial shrimp vessel permits capping the number of vessels in the federal fishery (Action 10); and requires reporting and certification of landings during the moratorium (Action 11).

## **2. When were permits required in the Gulf of Mexico federal shrimp fishery?**

The commercial shrimp permit in the Gulf of Mexico exclusive economic zone (EEZ) was implemented December 6, 2002. The Gulf of Mexico Fishery Management Council (Council) established December 6, 2003, as the control date since it is one year after the commercial shrimp permit requirement was implemented. The Council felt a one year period was ample time for fishermen to obtain the necessary permit. A control date alerts the public that the Council may consider limited entry into a fishery and may use the control date as qualifying criteria for participation into the fishery. Once Amendment 13 is implemented, the owners of those vessels who do qualify for a moratorium permit will have one year to acquire a moratorium permit. However, if a person is shrimping, this permit is needed 150 days after the effective date of the final rule implementing the moratorium.

## **3. What happens if I didn't get a permit or qualify for one?**

Only vessels active in the fishery prior to December 6, 2003, will be allowed to continue participating in the fishery. Moratorium permits will be fully transferable, allowing fishermen the flexibility to enter or exit the fishery as they choose. Permit owners who want to sell their moratorium permit may. Fishermen who do not have a moratorium permit can buy these permits to gain access to the fishery.

## **4. How did NOAA Fisheries Service let fishermen know about Amendment 13?**

NOAA Fisheries Service was actively involved communicating proposals in Amendment 13 as part of the normal Council public process. Public hearings specific to Amendment 13 and the moratorium were conducted throughout the Gulf of Mexico in the fall of 2004. The Council also received public comments at various Council meetings during 2004 and early 2005.

In addition to the normal council public process, NOAA Fisheries Service drafted and distributed Southeast Fishery Bulletins from 2002 through 2005 regarding the Gulf commercial shrimp permit requirement, the proposed 10-year moratorium, and Amendment 13. A Bulletin announcing the proposed rule for Amendment 13, highlighting the requirements in the amendment and how to submit comments has also been distributed April 5, 2006. These Bulletins are distributed to: dealers; government agencies; recreational fisheries interests; commercial fisheries interests; environmentalists; rock shrimp permit vessel owners; Gulf shrimp permit vessel owners; the Gulf states; the Atlantic states; the interstate marine fisheries commissions; all commercial permit holders; media; enforcement; Sea Grant; commercial associations; clubs; and marinas, fishing centers, and tackle manufacturers.

NOAA Fisheries Service also participated in meetings with the Vietnamese-America Commercial Fishermen's Union and Vietnamese Shrimpers Association in Alabama, Mississippi, Texas, and Louisiana at their request. Federal Gulf shrimp permit applications were distributed and the application process explained. In addition, the Council, NOAA Fisheries Service Southeast Fisheries Science Center personnel, each Gulf state, and the Texas and Louisiana Sea Grant Programs have sought out, invited, and discussed permitting requirements with the Vietnamese community.

## **5. What is the public input process - Can I still comment on the 10-year moratorium?**

NOAA Fisheries Service published a Notice of Availability of the amendment on November 23, 2005, with a 60-day comment period, which ended on January 23, 2006. The proposed rule to implement this Amendment 13 published April 5, 2006, and will be open for public comment through May 22,

2006. Subsequently, any final rule would be published within 30 days of the public comment period closing, and all public comments received will be addressed in the final rule.

## **6. How many fishermen are impacted by the 10-year moratorium?**

Approximately 2,666 vessels currently active in the fishery meet the qualifying criteria for the moratorium permit. NOAA Fisheries Service identified an additional 285 vessels that either had a permit at one time but let it expire, or they obtained a permit after the December 6, 2003, control date. Of these 285 ineligible vessels, 126 were not found to be active in the fishery during 2002 (the last year of data available during the time the Council deliberated this issue), and may no longer be in the fishery. Of the remaining 159 active vessels, 87 of the vessels were identified as operating entirely in state waters, and will not be affected by the permit moratorium. Therefore, NOAA Fisheries Service estimates 72 vessels active in the federal fishery would be excluded under the moratorium, and of these, most of the impacts would be imposed on the 45 larger vessels; the small vessels would be impacted less because they would be more likely to operate in state waters.

## **7. Why is the 10-year permit moratorium necessary?**

There is excess capacity in the fishery and fewer vessels could harvest the available shrimp resources at a more profitable level. Basically, the number of vessels and the fishing power of the vessels have increased, while the level of landings has been stable resulting in each participant "having a smaller piece of the pie." The moratorium will assist the economic recovery of the fishery by addressing latent effort. Should an unexpected increase in profitability occur in the near future due to decreased fuel costs or a substantial rise in shrimp prices, the moratorium permit will not allow latent effort back into the fishery, allowing those with a moratorium permit to be more profitable.

## **8. How has the 2005 hurricane season impacted the Gulf shrimp industry?**

Even before the 2005 hurricane season, the shrimp industry and its supporting infrastructure were undergoing economic hardships caused by increased fuel costs and reduced shrimp prices. Many vessel owners stopped fishing or even went bankrupt. While government actions regarding imported shrimp products have helped, additional measures must be taken to stabilize the domestic fishery. The number of vessels shrimping in the EEZ has declined (from approximately 4,000 in 2000 to approximately 2,500 in 2005) and economic projections indicate the number of shrimp vessels will decline until at least 2012. The decrease in participation is not the result of the permit moratorium as proposed in Amendment 13 but rather the economic climate of the fishery - vessels are simply not profitable. Stabilizing the number of vessels in the fishery would allow fishermen the opportunity to harvest a greater proportion of the annual shrimp crop and increase their economic returns. This would better meet the Council's intent to achieve optimum yield in the fishery.

The shrimp industry has been severely impacted by the 2005 hurricane season. Preliminary results indicate effort in the shrimp fishery is down after the storms, yet the decline in effort may not have led to a decline in landings. The exact number of shrimp vessels and supporting infrastructure damaged or destroyed by the 2005 hurricanes is unknown. Gulf coast states are continuing to compile damage assessments but it is logical to presume the damage from the 2005 hurricane season and the increasing cost of diesel fuel will likely mean the percentage of vessels likely to go bankrupt will increase. However, as areas along the northern Gulf coast are revitalized, fishing effort is expected to return to previous levels.

Amendment 13 is the first step in rationalizing the seriously overcapitalized shrimp fishery. While some Council members and industry representatives are concerned the moratorium would further exacerbate current economic problems, the social and economic disruptions in the communities most strongly associated with the fishery were expected to continue through 2012, whether or not a moratorium is established.

## **9. What happens after the 10-year moratorium?**

The Council may at any time change the moratorium time frame through another amendment to the fishery management plan. The Council will take into account, among many factors, the status of the stocks, profitability of the fishery, and impacted communities.

## **10. Will the Council consider other ways to be proactive?**

How the shrimp fishery responds to the measures in Amendment 13 will affect future Council actions. The moratorium will begin an economic recovery of the fishery. With a cap on the number of vessels catching shrimp, the catch for each vessel should improve. This could provide for a more stable market structure. The Council is continuing to consider options for a comprehensive management strategy that would provide economic stability to both the red snapper and shrimp fisheries, and to achieve optimum yield.