

Wreckfish ITQ Review

Federal regulations require that all catch share programs, including individual transferable quotas (ITQs), such as the South Atlantic Wreckfish ITQ undergo periodic review. The first review of this ITQ program was conducted in 2009. The South Atlantic Fishery Management Council (Council) initiated a subsequent review of the Wreckfish ITQ Program at its June 2017 meeting in Ponte Vedra Beach, Florida.

This subsequent review is documenting the changes that have occurred in the fishery since the 2009/2010 fishing year. Fishing years 2009/2010 – 2011/2012 as a baseline and fishing years 2012/2013 – 2016/2017 for the comparative analysis. Previous years were included in the earlier, initial review. This review will not make changes to the ITQ program; however, the review could recommend changes that the Council might choose to make to the program in a later snapper grouper amendment. At the completion of the review, the Council could choose to act on those recommendations or initiate other actions that could affect the Wreckfish ITQ.

Currently, there are seven shareholders. Some shares are held by individuals and others by corporations. Not all shareholders are currently involved in harvesting wreckfish. However, those who are not actively harvesting, lease their shares to others who do harvest.

The Council's Scientific and Statistical Committee (SSC) met in April 2010 to discuss acceptable biological catch (ABC) control rules for unassessed species. After extensive discussion of wreckfish issues, the SSC established that ABC was unknown and the Council should consider an annual catch limit (ACL) that did not exceed 200,000 lbs. One of the issues discussed was whether the management system of individual quotas tied to portions of the allowable harvest level potentially alters the relation between the recommended harvest and the realized harvest. Effort is reduced in the fishery, to the extent that recent landings are confidential because fewer than 3 harvesters operated in the years considered by the SSC. Landings were reduced and trends in landings at the time, even if such landings could be publicly disseminated, possibly were not representative of fishery productivity.

The SSC stated that the 2001 assessment (Vaughan et al. 2001) indicated depletion at higher historical levels of effort and that the catch reductions appeared to have come mainly from gear restrictions, spawning season closure, and ITQ implementation. Since stock size cannot be projected, an estimate of overfishing limit from the 2001 assessment could not be produced. A Depletion-Based Stock Reduction Analysis (DBSRA) or Depletion-Corrected Average Catch DCAC estimate could be calculated, but recent landings are confidential, therefore the SSC was not able to perform the calculations to produce these estimates. The SSC agreed the 2001 assessment was dated and did not apply to current landings and conditions. The SSC concluded that a control rule based on catch-only data should be used even though a stock assessment exists for wreckfish. The ABC was set at 250,000 lbs whole weight (ww) where previously it had been 2 million lbs ww.

The Comprehensive ACL Amendment (Snapper Grouper Amendment 25, 2011) set the ACL = to ABC (95% to the commercial sector/5% recreational sector) for wreckfish. Since the new ACL was so low compared to the previous quota, many shareholders saw the value of their shares drop precipitously. Consequently, Snapper Grouper Amendment 20a (2012) redistributed shares from inactive shareholders to those who were recently active and fishing their shares. Through inactive shareholder removals and share consolidation, there are currently seven shareholders.

Council and National Marine Fisheries Service (NMFS) staff have begun work on the review by gathering the relevant data and seeking waivers of confidentiality, where needed. The SSC will see a nearly completed draft of the review at their Spring 2018 meeting. The Social and Economic Panel of the SSC will get the opportunity to review a draft of the document and discuss relevant issues for this review at their meeting in February 2018.

At this point, the SSC is asked to weigh in on several data issues Council and NMFS staff are facing.

1. **Confidentiality.** All shareholders are being asked to sign a confidentiality waiver to allow the review to report landings and coupon transfers. Wreckfish dealers are being asked to waive confidentiality for the wreckfish they purchased. Oftentimes, depending on the analysis, the data may be confidential. The issue facing staff is that if just one entity chooses not to waive confidentiality, none of the confidential data may be released. Staff are trying to come up with potential solutions in advance for being able to report aggregate landings and other information that will avoid confidentiality issues.

One proposed solution is rolling averages. By combining landings across years, annual landings accuracy would decrease, however, trends may be discerned while maintaining confidentiality.

Staff would like the SSC to weigh in on the use of rolling averages, or suggest other methods for reporting landings, while maintaining confidentiality.

2. **Data.** Wreckfish data reporting is not as straightforward as it is for other snapper grouper species because of the greater individual accountability on the part of the shareholders. For example, wreckfish landings are reported separately from other species. All other species landed on the same trip are supposed to be reported on the standard snapper grouper logbook. Identifying data, such as dates of the trip do not always line up exactly for every trip. In these cases, it can be difficult to decipher whether only wreckfish were caught on the trip, whether they weren't reported at all, or if there was misreporting (e.g. dates on trips don't line up). Additionally, there is evidence to show that not all wreckfish landings are reported on state trip tickets.

Staff would like to know if the SSC has recommendations on how to use these data.

Comment [NM1]: From my email on Aug. 4: "there were at least 3 dealers and 3 shareholders who reported in the years we are considering for this review. Therefore, we will not need to worry about confidentiality and getting waivers signed (we would still need to include total annual landings, not stratified by state, to maintain confidentiality)."

For the SSC, I would just leave this statement out...