

**CARIBBEAN FISHERY MANAGEMENT COUNCIL
GULF OF MEXICO FISHERY MANAGEMENT COUNCIL
SOUTH ATLANTIC FISHERY MANAGEMENT COUNCIL**

**SPINY LOBSTER IMPORTS SCOPING MEETING
ISLANDER HOTEL
ISLA MORADA, FLORIDA**

JANUARY 24, 2008

VERBATIM TRANSCRIPTION

The Scoping Meeting for Spiny Lobster Imports was held on January 24, 2008, at the Islander Hotel, Isla Morada, Florida.

The meeting was called to order at 6:00 p.m.

(Attendance records are included under Attachment A.)

Mr. Eugenio Piñeiro, CFMC Chairman, opened the meeting with a brief introduction on the purpose of the scoping meeting for spiny lobster imports, followed by Mr. Tony Iarocci, GMFMC Chairman, who also provided some comments on the purpose of the scoping meeting.

Mr. Greg Waugh presented an overview on the issue of spiny lobster imports.
(Presentation included under attachment B.)

Karl Lessard: For the record, my name is Karl Lessard. I am the Chairman of the Spiny Lobster AP for the Gulf Council. The Gulf Council Spiny Lobster AP approved approach 1, with the caveat that the length be the determining factor over the weight of the tail, and it also applies for the Caribbean lobsters that are imported to Puerto Rico and the US Virgin Islands, no one would be allowed to import a tail less than 6.2 inches, and carapace of less than 3.5", and the caveat that the tail weight 5.9 to 6 ounces.

Tony Iarocci: If we could, Gary Grace, give a perspective on the industry stake on this.

Gary Graves: Good evening gentlemen. Gary Graves, Keys Fisheries, Marathon, Florida. Speaking for myself, and a lot of fishermen of my dock, we are for the importation under approach 1, which would limit the Caribbean size limit of 3" for the carapace, and 5½ for the tail. The ... of eggs, and the importation of lobster tail meat, we are all sort in favor of eliminating that. The only question or concern I think that we have is on the weight issue. I know all the Caribbean countries have different regulations of different size animals in their countries. We are trying to get it uniform. Any fisherman, any law enforcement agency, any processing plant can measure a lobster alive. Nobody have scales on the water, and that's an impossibility. So in my opinion, when you add this weight in, and I am going to give you some hand-outs that I did in my plant, there is a

possibility that you could bring in this lobster to shore. In most of the Caribbean, as you are all aware more than I am, is a tail market or a tail fishery, not a live fishery, and you'll be bringing fish in that won't be actually exported to this country, if the weigh is involved and whatsoever, and you'll either discard it, which you are not going to do it, you are going to have a black market fishery, or else. I don't see where that is helping the problem. I see where a 3" law for the whole Caribbean, or excuse me a 5½" tail measurement law is going to be an effective way to control the fishery in the Caribbean, and the goal of this is to help recruitment. So if we could eliminate the weigh in those countries, I think is just going to be beneficial to the whole industry. I know there is some opposition to that, but it is just my opinion. I'd like to give you this hand-out, which is like five days production of my plant and the dates, and these tails are all 5½", I mean, we measure them and weigh them specifically because I knew this was coming up, and I gave the same presentation in the Dominican Republic when I was down there with Tony. So I'd just like to hand this out, and if you have any questions about this please ask me now, because I just want to make this part of the record, please.

Greg Waugh: Gary, the first column. That is the size? That is the weigh of the tail?

Gary Graves: Yes. Now let me say this, we process a lot of lobster, and a lot of these lobsters that are in the industry mind or grading system are a number two, meaning that they were soft shells and/or shatters. So that is why you see this variation, but it is a real thing in the industry that you have this problem, I mean, this is what we catch, and I know is an importation law, but I am looking at the processors down there having the same problem, I mean, is the same species.

Greg Waugh: To Garry and to Karl, you all say you support approach 1, and that is applying the 3" carapace length and the 5½" tail, and that's the imports of here as well as the imports in the Caribbean?

Unidentified person: Well, the Gulf Council, as I said, you know, we don't have any ... Puerto Rico and the US Virgin Islands. ... approach 1 it says: preserve the same size that they have, which is 3.5" and ... for imports into the US.

Gary Graves: And I am for leaving that the same. Leave it at 3.5". I am not for changing theirs to smaller. They have a bigger size limit because they catch bigger fish. Which is like Bermuda, but that is fine.

Greg Waugh: So both of you all are supporting approach 1 using the continental minimum size limit up here as Caribbean and Puerto Rico and the Virgin Islands their minimum size?

Gary Graves: Yes.

Greg Waugh: Any other questions to Gary?

Joe Kimmel: This is Joe Kimmel, NOAA Fisheries. To the point that Greg just brought

up about the 3” and the 5½”, that is what you are in favor of? And it really doesn’t make any difference whether is approach 1 or approach 2 relative to that issue for your case, is that right? Approach 2 is like approach 1, except it eliminates the 3½” size limit in ...

Gary Graves: It eliminates it in the Caribbean.

Joe Kimmel: ... so that all the lobster that would be landed would be 3”...

Gary Graves: I mean, I hate to speak for, to answer your question, I don’t want to speak for the Caribbean because I don’t know enough about the Virgin Islands and Puerto Rico. I know they don’t have a lot of smaller fish, and I know that they have bigger lobsters there, but I am not, I don’t know if I am in favor of them changing to our size or not. I mean, if they want to do that I am in favor, but I am not trying to pull anything that might force them to do it.

Joe Kimmel: My point was just whether you accepted, you want to accept the 3”...

Gary Graves: Yes. I would accept it either way. Yes, to answer your question.

Greg Waugh: Any other questions?

Tony Iarocci: That’s what Gary, what we were just talking about, Joe, with Geño, that there is discussion about that, and I think that we should let the Caribbean Council take the lead and see where they are going to go with that, because that is their issue, and at this time we should probably keep our comments to this. Now we’ll open the scoping meeting for your comments. First we should hear from those persons who have indicated their desire to speak on the registration card. If any of you have not filled out a card, fill out the card if you would like to do so at this time. Please include your mailing address, and please write so we can read your name, which I think most of you have done this before. And I want to acknowledge having Spiny Lobster AP members from both, the South Atlantic and the Gulf, Bruce Irwin and Karl Lessard, and Scott Simmerman. And Tom, thanks for taking the time for being here to answer any questions with this. It is important having someone like you at these meetings. I know you were on the water all day. First speaker is Gary Graves, and I think Gary, you pretty much said what you wanted to say on the record here. Next speaker is Bruce Irwin.

Bruce Irwin: Bruce Irwin. I sit on the South Atlantic Lobster AP. I wanted to first thank the Caribbean Council for taking the initiative to help bring this into play, because it is important that we protect the whole Caribbean stock of lobster. And I really want to say to the fishermen here, we appreciate you taking that initiative. And I also want to support approach 1, with one caveat; I do have Gary Graves concern. I think that it is important that he be heard, and that be worked out to his satisfaction, or not only his, I am sure he is speaking for many people in the fish house industry. That is about it.

Tony Iarocci: And be sure to state your affiliation and who you represent when you do speak. Karl Lessard, you pretty much said what you wanted to say also, so that is pretty

much done. Scott Simmerman.

Scott Simmerman: My name is Scott Simmerman. I am here representing the Florida Keys Commercial Fishermen's Association. I'm the Executive Director of that association, and I also sit on the Gulf Council Spiny Lobster AP. I am going to keep my comments very brief because we are going to submit something on the 28th. But we are just here to say that we generally support the Council's efforts in addressing this importation issues. We echo most of what Gary has pointed out supporting approach 1. You know, generally the fishery has serious concerns because of the decrease in landings over the last decade that we've seen here locally, and we feel that is largely due to recruitment issues because of the Pan-Caribbean based fishery. So we are very happy that the Council is addressing this issue, and if there is any way that the association could be of assistance please call on us for help.

Tony Iarocci: Next speaker is Tom Hill.

Tom Hill: My name is Tom Hill. I am with Key Largo Fisheries and also associated with Southeastern Fisheries Association. I just want to say that I am in favor of the first position as well, primarily from a producer or a supplier standpoint in having everything where, if there is set, something that can be measured and won't change. I just see so much change in, as far as weigh in the tail, it could be the same size but the weight would change on and off, depending on the quality of the product.

Tony Iarocci: Thank you Tom. I've got a few more cards, but Tom, did you have anything you wanted to...

Tom Mathews: Actually what I was commenting is that I've recently received some e-mails from Paul Raymond, who wanted to make sure these issues on, particularly the weight limit, were brought in. So the issue of landings weight, the evolution of the rule started with what is going to be an import rule or a possession rule. When we are talking about a possession rule that is when some of our weight ideas went down to 4.2 ounces. Now, for some ... logic they've decided that the import rule is actually a better way to go. So that means no lobsters landed in the US that meets federal or Florida State size limits will be affected, but the Caribbean is very much pushing towards, and when I say the Caribbean I mean the broader Caribbean, including the Latin American countries, already have rules on the books for a 4.5 ounce tail, so that is all they want to be legally exporting or that'll end up in the US market. So now that the rules in the US, the rule we are discussing tonight, is set at importing, that actual size limit that correspond to the rest of the Caribbean countries involved in the production of spiny lobster really should be about 4.5. And why that is important to the NOAA Law Enforcement is because they are not interested in the one case where a box of lobsters or even ten thousand pounds of lobsters come in. Once they identify the person who does that, they want to be able to look back at the paper trail, and that paper trail is only in ounces, so it is very important to them that they can look at a box, be it marked five ounces, triple X, something else, because of the price of that product and things, because they can match up, because in the paper work is very important to them that they have a weigh, and that is all they have to

go on. So there isn't the possibility that they can go back and measure the length of something, all they have is those weights marked in the boxes that they have to work on, and that is why they've been able to make some very great cases of this, ten million dollar cases, people actually are doing jail time. So again, an importer is willing to lose one ten thousand pound shipment, even though ... hundreds of thousands of dollars, because this is a multi million dollar issue they are addressing, and law enforcement and our attorneys that pursue these cases have to have that weight limit, they told me this over and over again. I can't articulate that argument very well, but it certainly was they are saying they need to make a proper case. So I want to be back to, now that we are looking at the import rule that we look at having the 4.5 ounces, not the lower 4.2 ounces limit for possession that would correspond to imports.

Miguel Rolón: And to clarify, that would be the lower level of the range, 4.5?

Tom Mathews: Yes. 4.5 ounces ..., which ranges from 5.4 to a 4.5 ounce tail, and that is where that lower size limit comes in.

Tony Iarocci: Thank you Tom. Because we were talking about a possession rule, then we talked about an importation rule and the two sides. Ken do you want to add anything to what Tom, he pretty much covered it, and Tom I think you are pretty much talking too about the OSPESCA, the ... come up with that because there was a lot of discussion on whether it was going to be the 4.2 or 4.5, and it is something that I think, like I said earlier, this is early on in the process, and we will take more comments and we'll have to discuss this later on, because there is that fine line between the measurement in depending on importation, and we've talked about it today at the fish house about different ways to approach this.

Tom Mathews: You know, OSPESCA's motivation behind all of this was their, as Scott pointed out, that they are very disappointed with current landings, so anything they can do to increase what they want as a minimal harvestable size will very greatly improve landings, and that is why to Latin American countries the 4.5 weight ounce is very important.

Unidentified person: Just to clarify. Is this a regulation that is in place?

Miguel Rolón: Each country has their own regulations and the minimum is 74 millimeters, which is 2.92 carapace length. These other numbers are voluntary memorandum of understanding that four countries have and that OSPESCA adopted, and this is by the industry. Most of the countries would like to adopt that as a regulation for the industry, and let me explain what the industry means for them, because it is very different from what we call the industry here. Most of these countries they have what they call high rollers, you know, sixty five footers and beyond, and those people fish far away from the shoreline, and usually they have set their own rules to keep the bigger lobsters for the importers in the United States, who are usually, they are not after the big lobster. You know, the Red Lobster and all these other restaurants, as you know, they like to have two small tails or medium size tails per dish, for people it is more attractive,

rather the fish market where we have a giant thing floating over the plate. And the countries that belong to the Caribbean organization called the FAO have adopted the minimum that Cuba has, which is the 2.92 carapace length, and that is for all landings. Some countries like Venezuela have 109, which is a bigger ..., but for the industry they do not have a regulation per se, what they have is an agreement with the regulation, and the reason why they are now pushing for this throughout the Caribbean and asking the United States the biggest importer to help in this is that, number one, is supported by biologists. The biologists would like to have a 50% of ... which is big lobster, but this is between 30 and 50, so this 3.0 is OK, and also they are scared because Brazil lost the high rollers. They used to have more than 60 vessels fishing for lobster. The lobster is there, but is not fished by these guys, so they are losing the divisa, and they have a problem because the other part is that the artisanal fishery is more difficult to rule than the industry. The industry I can go to your fish house and know you by name, but these people, they have ..., they have 500 in one port, 1,000 in another port and it is very difficult to enforce. For us it is very important because as you all know, on the connection we have in the Caribbean if these countries go down the drain with the lobster we are going to suffer, our industry is going to suffer. So these high rollers depend on the imports into the United States, a little bit into Europe, now China is buying everything so maybe they will start buying in the Caribbean, but right now this is what is happening. And the other important part is that are losing time. The Dahlgren Foundation gave us a talk last year, two years ago, and they were sure about three years, so they were sure about having lobster in 2007, 2008, they were not certain about 2009, and they were worried, they even have sent people to Honduras. They have a big problem in Honduras and Central American countries with the lobster. And the other thing, if I may, is that the weight is important because they do not measure the tails, they just weigh them. There is no way that they are going to adopt a measure that is the length or the width of the tail for the industry or the local ... The only thing they use for the local ... is the total length of the tail, the total length of the lobster, and the carapace. They don't really care about the weight, and when you get them to the enforcement site it is very difficult to explain that tail and make it legal or illegal. They can push it to make it legal and still it is underweight.

Tony Iarocci: Thank you Miguel. And that is the difference between the possession and the importation rule, and it is two different issues, and is something like you said, we are going to have to sit down and look at a way to deal with the importation rule differently than what would we'd do with the measurement, because as Miguel has stated and I've seen there was said through a lot of the meetings down there, that weight does come in to play, but it doesn't come in to play here. It has to come in to play throughout the Caribbean range. We have to make sure that that's covered down there, because as Miguel has stated, and I've seen it, these guys come in and they do not measure the lobsters. With that said, are there any more comments, or somebody would like to readdress the issues that we've already spoke on. Butch, you have anything you would like to add to those.

Greg Waugh: Tony, if I could. In terms of the concern that Gary raised about the weight, we just addressed this in terms of having a tail weight for imports, and the

possession wouldn't, and that would not affect locally produced lobsters. Does that address the concern that you and others have Gary, or do we still have that concern?

Gary Graves: If it stays like that is fine. But my concern in the line ... about the Caribbean, if they don't measure what they are bringing in they are going to ... anyway, and that is my biggest fear.

Unidentified person: Ok. You can't sell them to ... Europe...China, ...

Gary Graves: We just happen to be the biggest buyer right now because you know there is a great demand for ... and I know enforcement, I mean, I know how bad it was, it's gotten a lot better, and this will help everybody, ... close that loophole, but my biggest fear is it is not going to stop it enough because we have plenty of other markets that we can ship to, and I don't mean me, but I mean the industry. As you said, ... China, they are buying ... right now. So that is just my biggest fear. It has got to be stopped down there, I agree with that. It has got to be stopped down there. But I just hope that if it's a way that, if they put them back in the water that is one issue, but if they bring them in and we only know that these can go to the states, this can go somewhere else, and that is where we still have a problem. That will not help our stocks.

Greg Waugh: From the last meetings and my last trip down there they are addressing that big time. A lot of the boats ...all along the whole Atlantic coast of Nicaragua they've stopped the buying out there... that the enforcement, the Navy is out there patrolling, the high speed ... that were coming in from Colombia and Costa Rica that were buying and some of the other product that was floating around out there they are not doing it as much, and the fish houses, they do not, I've... there and watched these boats unload, and one boat came in, there was one undersized tail, another boat came in that had two undersized tails and that wasn't the whole catch. And from the ... I'd seen hours before they come in and then they take five gallon buckets of the short tails and run through the villages and the towns and sold the tails.

Joe Kimmel: Well I just want to put on the record something about the difference about the price for the really small lobsters and the ones that are 3" and above. Is there a cut off there? A big difference...?

Gary Graves: Threes and fours were always cheaper than fives and sixes. Six, sevens and eights were primes, and that was always usually the best prices. The smaller ones are always worth a little bit less. A dollar or two a pound, depending on....

Joe Kimmel: Do you think over time the local fishermen will recognize the difference in what they are getting for what they take, and so that it they maybe would out and ... Larger lobsters for sale?

Gary Graves: I don't think. I think they get paid on pounds, not on size. When fishermen come to the dock here, I mean, that is like that chart I showed you earlier Joe, when the fisher comes to the dock he still gets that whatever the price per pound is... and

I think that is going on down there, so I don't think it would make a difference to them. It would make a difference to the wholesaler, and he figures it in. I mean, I understand law enforcement and I understand what you are saying, I just, I wish there was an easier way to protect the stock even bigger than having them just do ... weight, because I think weight would be done at land, it can't be done at sea, so I don't know how you go to the plant with a 4½ ounce tail, I mean, I know damn well that works on a scale, so they come into the plant ...

Miguel Rolón: Well, they will come to the plant and they will not be exported, because each country have a problem, and all the scientists, all the managers are having the same problem, how can we keep our stock in front of our ..., and unfortunately we are trying to save two sectors here, we want to save the lobster and we also want to protect the industry, and the industry is the trigger, actually they are the people who pushed for this at the government level. The Caribbean countries, they can switch their government opinion very quick, you know, they are very convincing, these guys from the industry, and right now they are trying to save themselves and that is why they are pushing the government to adopt these management measures now, but they have the same problem. The ... smaller than whatever we have as a minimum size lobster, and that will be for the local market, as they are doing in Brazil. In Brazil they have two markets now, the local guy, and then the one that goes inland, you know, to Rio and the others, the same thing is happening in Nicaragua and other countries. If they keep selling undersized lobster, the lobster in between that is legal but is not big enough for export they sell it locally legally, so that is why they have these concerns. The biologists, we don't care what you do with the lobster as long as you leave enough lobsters to keep the population going, and that is where the minimum size kicks in, you know, the carapace length. You said something that is important, and I have to summarize this for my Council meeting in March. I have here that all of you support approach number one, with the caveat that we have to be careful about the weigh limit in terms of possession rule versus the import rule. You agree that the import rule is OK, but don't mess with the possession rule because that goes into another problem. And the other thing is that, not to scare you, but just to be aware that here in the presentation we said we are not increasing the 3.0 to 3.5, we don't want to do that and everything, but when you see the regulations written, or the proposed regulation, NEPA forces us to have three, at least, management measures for each one, we all know it, we are all familiar with that. That is where we scare the hell out of people, because we have to include the 3.5 for everybody, or 4.0 or 4.5, enough to satisfy the judge... Tony, thank you.

Tony Iarocci: And we can work on this, and hopefully I'll be at that meeting, and I want to work closely with that. The South Atlantic wants to work very closely with the Caribbean Council on this and the Gulf so we are all on the same page, and to bring Gary's concerns and the fishermen's concerns there, but I think we all know that this is one stock and if we don't start down there with this right now, and like you said, we've been talking about doing this for a lot of years, and I think is right now on the table and everybody knows how important it is at this time.

Scott Simmerman: Since we are talking about like downstream effects and recruitment,

because we are importing undersized tails, I just wanted to mention something that I heard about recently, that there are some companies that are interested in the collection of wild caught juveniles for grow out in aquaculture bay systems, and I just want to make sure, for the record, that the Councils address this issue because of its potential downstream effects on our fishery here in South Florida, you know, there are some major concerns about the potential loss of ... stock in, I mean, because of the collection of wild caught juveniles for grow up.

Tony Iarocci: Yes. I got a copy of that from that company. I had the guy call and send the presentation that he wants to get. There is a company that wanted to do a grow out, they want to get wild caught berried lobsters and put them in pens and grow them in ... other than doing... so there are two different things on that, depending on who you talk to on how they are going to do it, but that is down the line and is something we do have to keep track of.

Miguel Rolón: We found something, to that point, is that most people who are asking for berried females to grow up, the berried female once you touch it and it gets oxygen it gets rid of the eggs. Usually what they do is they have this farm, but they actually catch the lobster in the wild and sell it through that outlet. We have a, and we can give it to anybody who wants it, a copy of a paper by an expert. We hired her to go through the literature and review this point, because Puerto Rico had these five proposals, and it seems that there is not a clear cut statement by any of the scientists that this works or not...

Tony Iarocci: Does anybody else have any more comments to the scoping meeting? Well I want to thank...

Miguel Rolón: I have one. I want to thank the South Atlantic and the Gulf, and especially Greg Waugh, he put all this together, and Graciela is not here from our staff, and she did a good job coordinating this and I hope that we can keep talking to all of you, and also the important thing will be the actual public hearing for the drafting of the regulation ...

Tony Iarocci: Thank you Miguel. And I can't stress this enough, this is so early on in this process, and I can say from this meeting that we have to come up with something to deal with the possession/importation rule. And I also want to thank you guys for being here, and I hope we can do this more in the future, and Greg, that the scoping document you put together, everybody commented about what a great document it is and how is easy to read and understand, and Diana, thank you for being here to record this...