

# **SOUTH ATLANTIC FISHERY MANAGEMENT COUNCIL**

## **SOCIO-ECONOMIC PANEL OF THE SCIENTIFIC AND STATISTICAL COMMITTEE**



**SEP Meeting Report**

**April 28, 2014**

**Crowne Plaza**

**4831 Tanger Outlet Boulevard**

**North Charleston, SC**

## PURPOSE

The Socio-Economic Panel of the SSC convened on April 28, 2014, to:

- Review Dolphin Wahoo Amendment 7/ Snapper Grouper Amendment 33
- Review possible actions in Coastal Migratory Pelagics Amendment 24
- Review the General Accountability Measures/ Dolphin Allocation Amendment
- Discuss economic efficiency/net efficiency analysis for allocations decisions
- Discuss social and economic research needs for the South Atlantic region

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## DOCUMENTS

**Attachment 1.** Draft Dolphin Wahoo Amendment 7/ Snapper Grouper Amendment 33

**Attachment 2.** Discussion Document for Coastal Migratory Pelagics Amendment 24

**Attachment 3.** Scoping Document for the Generic Accountability Measures/Dolphin Allocation Amendment

**Attachment 4:** Allocation of Fishery Harvests under the Magnuson-Stevens Fishery Conservation and Management Act: Principles and Practice (NMFS Tech Memo, February 2012)

**Attachment 5:** (Draft) Review of Laws, Guidance, Technical Memorandums, and Case Studies Related to Fisheries Allocation Decisions (NMFS Tech Memo Draft, January 2014)

**Attachment 6:** A Recreation Demand Model for South Atlantic Marine Recreational Private and For-Hire Boat Fishing with an Application to Snapper Grouper Management (Whitehead, 2013)

## 1. Introduction

### 1.1. Documents

Agenda  
Minutes, October 2012

### 1.2. Action

Introductions  
Review and Approve Agenda  
Approve Minutes

## 2. Dolphin Wahoo Amendment 7/Snapper Grouper Amendment 33- transfer of fillets from Bahamian waters

### 2.1. Documents

Attachment 1. Draft Dolphin Wahoo Amendment 7/ Snapper Grouper Amendment 33

### 2.2. Overview

The South Atlantic Council was approached by recreational fishermen who requested a change in the regulations that currently make it illegal to bring filleted dolphin and wahoo into the U.S exclusive economic zone (EEZ) from Bahamian waters. Fishermen contend that storing fish safely with head and fins intact is difficult and impractical due to the size of the fish. The purpose of Dolphin Wahoo Amendment 7 is to allow fishermen to bring dolphin and wahoo fillets from The Bahamas into the U.S. EEZ.

Regulations at 50 C.F.R. § 622.186 (b) currently allow fillets of snapper grouper species from The Bahamas to be brought into the U.S. EEZ. In December 2013, the South Atlantic Council made a motion to address the issue of transporting species under the Snapper Grouper Fishery Management Unit (FMU) from The Bahamas into the U.S. EEZ along similar guidelines as is under consideration for dolphin and wahoo. The need for this action is to increase economic and social benefits to fishermen by removing unnecessary restrictions and implementing regulations for dolphin and wahoo that are consistent with snapper grouper species.

### 2.3. Presentation

Brian Chevront, Council staff

### 2.4. Action

Comment and recommendations

**SEP RECOMMENDATION:** The SEP saw no issues of concern with any of the alternatives. There seems to be little biological, economic or social costs imposed. There may be minor social and economic benefits. The additional enforcement cost might be mitigated with a cap on the number of fillets to measure fish caught.

### 3. Coastal Migratory Pelagics Amendment 24

#### 3.1. Document

Attachment 2. SEP/SSC Discussion Document for Coastal Migratory Pelagics Amendment 24

#### 3.2. Overview

In the past several years, the commercial sectors of the Atlantic Spanish mackerel and Gulf king mackerel fisheries have come close or exceeded the commercial ACLs, while the recreational sectors of those fisheries have not used a fairly large proportion of the recreational ACL. The Councils are considering ways to increase opportunity to reach the total ACLs for Atlantic Spanish mackerel and Gulf king mackerel, including an in-season ACL shift for Atlantic Spanish mackerel. The amendment was scoped in January 2014.

#### 3.3. Presentation

Kari MacLauchlin, Council staff

#### 3.4. Action

Comment and recommendations

**SEP RECOMMENDATION:** The SEP believes that the Council needs to clarify the goal and purpose for this Amendment, as increasing the harvest of the mackerel species is not necessarily the same as increasing net economic benefits (e.g., leaving fish in the water could provide value in terms of increasing encounters for catch and release anglers). As such, reallocating fish from the recreational sector to the commercial is not automatically a situation where one sector gains without any cost to the other sector. The SEP does believe, however, that in-season triggers that reallocate fish from the recreational sector would be a useful way of increasing economic yield of the mackerel fishery.

### 4. Generic Accountability Measures/Dolphin Allocation Amendment

#### 4.1. Documents

Attachment 3. Scoping Document for the Generic Accountability Measures/Dolphin Allocation Amendment

#### 4.2. Overview

With the reauthorization of the Magnuson Stevens Act in 2007 the South Atlantic Council was required to develop accountability measures (AMs) for all of the species it manages that have annual catch limits. Recent plan amendments modified the criteria by which accountability measures would be implemented for a number of species. The Council is

now considering modifying the accountability measure triggering criteria for snapper grouper species and golden crab. Adjusting the accountability measure criteria in this amendment will help to bring consistency across species managed by the Council. The Dolphin Wahoo Advisory Panel requested the Council reconsider how it allocates dolphin between the recreational and commercial sectors.

#### 4.3. Presentation

Brian Chevront, Council staff

#### 4.4. ACTIONS

Comment and recommendations

**SEP RECOMMENDATION:** The SEP had no comment on the issue of accountability, other than to agree that accountability is important for these additional species. In terms of the dolphin allocation, the SEP has commented on allocation formulas before and we continue to support those earlier comments; without information on the economic value of commercial and recreational sectors, there is little to differentiate between alternative ad-hoc formulas for sector allocations.

## 5. Potential Methodologies for Evaluating the Economic Efficiency of Fishery Allocations

### 5.1. Documents

Attachment 4. Allocation of Fishery Harvests under the Magnuson-Stevens Fishery Conservation and Management Act: Principles and Practice (NMFS Tech Memo, February 2012)

Attachment 5: (Draft) Review of Laws, Guidance, Technical Memorandums, and Case Studies Related to Fisheries Allocation Decisions (NMFS Tech Memo Draft, January 2014)

### 5.2. Overview

Southeast Fishery Science Center staff will lead a discussion on potential methodologies for evaluating economic efficiency of fishery allocations.

### 5.3. Discussion

Scott Crosson, Southeast Fishery Science Center

### 5.4. ACTIONS

Comment and recommendations

**SEP RECOMMENDATION:** The SEP believes that the research provided by the SEFSC is of excellent quality, and, in general, the SEP supports the virtual price approach for commercial sector valuation and the hedonic and stated preference approaches for

recreational fishing valuation. In addition, revealed preference travel cost models using standard NMFS methods should be more fully utilized with existing MRIP data and continuously updated.

The SEP also cautions that there is no single methodology that is applicable to analyzing all potential changes in allocation-related Council decisions. Allocation-related decisions are implemented with specific regulatory changes, and analyzing the economic effects of those regulatory changes may require tightening or loosening assumptions such as holding the number of trips or fishermen constant. When possible, running analysis with and without changes in those parameters would aid the SEP in assessing variability around the projections.

In terms of the process, if neither sector is reaching its portion of the ACL, then the SEP supports first lessening non-biologically based regulations (e.g., bag limits) in order to increase economic benefits without cost before discussing potential changes in sector allocation. If one or both sectors are reaching their portions of the ACL, then a more in-depth analysis is necessary before reallocation is considered since a variety of exogenous factors could cause a fishery to harvest less than the ACL in any particular season or region.

As in the comments on Coastal Migratory Pelagics Amendment 24, the SEP also notes that reallocating “unused” ACL from one sector to another could, for example, affect the probability that fishermen will encounter the fish for harvest or catch-and-release and as such is not automatically a costless decision, even though the net economic benefits still may make such a decision desirable.

The SEP believes the process would be improved by utilizing the panel for peer review of allocation analysis in ways that the full SSC provides for stock assessment, and supports setting up such a system.

## **6. Research Needs**

### **6.1. Document**

Attachment 6. A Recreation Demand Model for South Atlantic Marine Recreational Private and For-Hire Boat Fishing with an Application to Snapper Grouper Management (Whitehead, 2013)

### **6.2. Overview**

The SEP will discuss social and economic research needs for the South Atlantic and use of existing data in research, and use of recreational data in snapper grouper management.

### **6.3. Presentation and Discussion**

John Whitehead, SEP Chair

#### 6.4. ACTIONS

The SEP did not review the document but several aspects were addressed during discussion of Agenda Item 5.

**SEP RECOMMENDATION:**

### **7. Other Business**

The SEP is interested in taking on a strong review role. There are a number of reports that might impact south Atlantic fisheries and the SEP feels it would be useful for the SEP to read and review these to help the SAFMC better understand the technical aspects.

**SEP RECOMMENDATION:** Begin development of a process to institutionalize a more formal review role for the SEP.