The Prince William Sound Pot Shrimp Commercial Fishery is Under Significant Threat -ShrimpPros Association, February 2022

Several factors have combined that are detrimental to the Prince William Sound Pot Shrimp open access commercial fishery. The market for this fishery has developed over the last 11 years, with excellent management of the commercial resource allocation to date. However, the current non-commercial management paradigm, under the existing non-commercial shrimp fishery management plan, has led to excess participation in this open access fishery by speculative hobbyists. This participation has increased substantially over the last three seasons and now directly impacts the participating commercial fleet and the health of this small fishery's market economics.

The PWS non-commercial shrimp fishery management plan (5 AAC 55.055) is fundamentally flawed, with the main issue being lack of management controls. There are no bag and possession limits for non-commercial harvest or effort, which has led to the over harvest of GHL (Guideline Harvest Level) by the non-commercial users on a consistent basis. From 2010 through 2020, the non-commercial users have exceeded their allocated GHL 60% of the time, with the highest over GHL harvest in 2016 of 145%. In 2020, the recreational fleet over-performed again to exceed their GHL at 138%. We do not yet know the non-commercial harvest from 2021 because permit reporting for this sector is only done at the end of the season and after tabulation by the Department of Fish and Game. This is expected to be revealed ahead of the BOF meeting for these topics in late March 2022.

PWS Non-commercial Shrimp Harvest

ADFG published data from fisheries reports



Year *corrected to 3.89lbs/gal for 2010-2012

Management of this non-commercial allocation by the Department relies on a single lever to limit the allocated harvest, and that is the number of pots a non-commercial participant may fish. This sector has an average participation growth rate of 5% year over year, which has caused the reduction of sport use pots from a high of eight in 2010 down to two in 2020. However, even that severe reduction in pot gear led to an over-harvest by sport fishermen that year of 38,346 pounds above their allocated GHL; representing 56% of the commercial allocation for 2020 in

total. This is a consistent problem and has been getting worse, even as sport pot limits continue to be reduced. Over the years 2010-2021, non-commercial over harvest of GHL has averaged 25% of the total commercial allocation.

Currently, the non-commercial reporting requirements do not allow Department managers to assess fishery performance during the season, which has led to consistent over-harvest by non-commercial interests of their allocated GHL. The Department also has the authority to require in-season reporting by ($\frac{AS}{16.05.370}$) as needed for management purposes; however, no effort has been made by the Department to require more frequent in-season reporting of sport harvest.

Efforts in the past to introduce additional management tools through the Board of Fish proposal process have been rejected. The Department has chosen not to implement bag and possession limits as allowed under existing statutory authority by ($AS_{16.05.060}$). The Department has also added language to the most recent Southcentral sport fishing regulations summary booklet that specifically states non-commercial boats may carry unlimited amounts of shrimp fishing gear on board, even though fishing more than five pots per vessel is prohibited by regulation ($\underline{5}_{AAC_{55.022}}$ (\underline{b}_{05}) ($\underline{5}_{05}$). This regulation summary is in direct contravention to the intent of the regulation, which is to limit fishing effort.

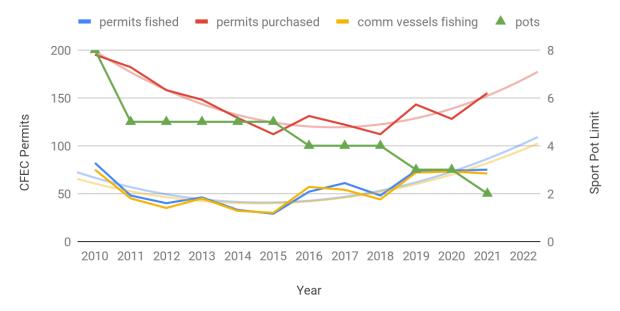
This overfishing beyond the allocated non-commercial GHL, exceeds the TAH (Total Allowable Harvest) and removes broodstock from the grounds, thereby further impacting allocated commercial opportunity for subsequent seasons. There are no consequences, other than resource over-exploitation, for over-harvest of allocated GHL by the non-commercial fleet, and no requirement for the Department to manage the GHL as allocated by the Board of Fish and defined in regulation. (AAC 55.055 (a) (1))

ADFG sport fishing regulations allow unlimited sport harvest with no bag and possession limits, no pot dimension restrictions, and no limits on the amount of gear aboard. The one management tool in use by the Department, is to limit effort by emergency order, reducing fishing to two pots for recreational use last season 2021. This has caused an increasing influx of hobby fishermen into the commercial fishery and the trend from the data shows continued increasing participation pressure.

Unintended consequences of this management approach are the influx of late entrants to this small commercial fishery who hope to avoid further sport gear reductions due to continued over-harvest by the non-commercial sector, and speculators who register for P09E gear cards who do not actually participate in the fishery.

Interim-Entry P09E Participation + Sport Use Pot Limit

Preliminary CFEC data summarized + Polynomial trend line



The ease of entry and exit by interim permit into this commercial fishery effectively allows additional allocation for sport users with the direct impact of removing product from the market, reducing average revenue for commercial fishermen, and threatening this shrimp resource with over-exploitation beyond TAH.

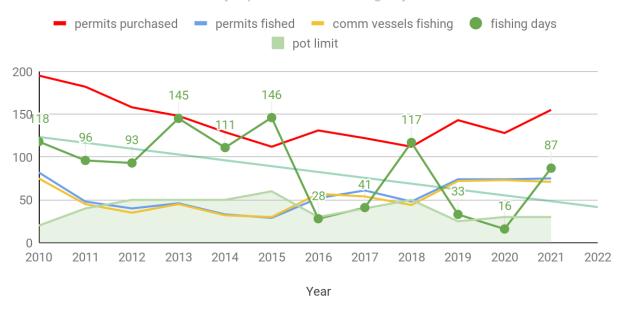
To quote Gov. Bill Egan,

"Alaska's [shrimp] resources cannot produce a livelihood for an unlimited number of fishermen, nor can they be successfully managed for maximum sustained yield if utilized by an unlimited number of fishermen. The only alternative to the continuing loss of a healthy professional fishery is the stabilization of entry into the fishery at reasonable levels."

This commercial fleet, since its inception in 2010, has averaged 55 actively fishing pot gear permit cards, and 53 participating vessels. Starting in 2019 up thru 2021, that increased to 75 actively fishing permit cards and 71 participating vessels (a 50% participation increase), due in large part to non-commercial pot reductions. This effect started in 2016 with the first sport pot reduction by Emergency Order (EO). The recent increase in participation further erodes the already small opportunity to market PWS spot shrimp, as the fishery is primarily a direct to market small boat effort, with a minority 40% allocation of the total, and relatively modest fishery resource. This has led to a reduced number of fishing days which impacts direct to market participants in this fishery. This further undermines the long term efforts by the professional fleet participants to stabilize value added direct marketing.

P09E Fishery Performance

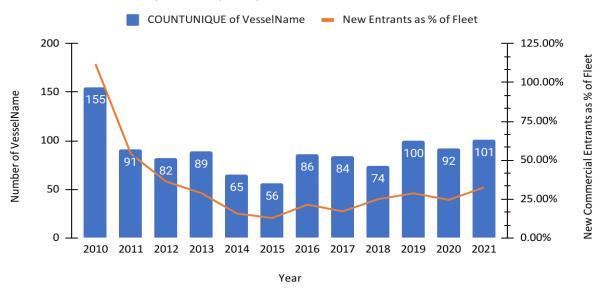
From CFEC data and ADFG fishery reports ** with fishing days linear trend



A full 32% of the P09E permits issued in 2021 were first year registrants to the fishery. There were 155 permits purchased, 105 vessels registered for this fishery with those permits, and 75 permits actually participated onboard 71 vessels that made landings. The only other open access fishery with more permits issued is for the M26B fishery, mechanical jig statewide & GOA, with 158 permits.

UNIQUE of VesselName with % New Permits

Vessels REGISTERED, may not have participated



The regulations, as written, place all conservation burden directly on the commercial allocation, with minimum TAH levels necessary to open a commercial fishery in any season. (5 AAC 31.214) This fundamental provision is the largest punitive risk to this commercial fishery

because of the lack of harvest controls on the non-commercial allocation. The demonstrated over-harvest of shrimp by sport users continues to put in jeopardy the ability to prosecute a commercial fishery and satisfy direct to market demands.

Several proposals are in front of the Board of Fish for the upcoming March 2021 board meeting, the agenda delayed from March 2020, related to PWS Shellfish. These proposals attempt to place equity on the burden of conservation among all stakeholders. However, all prior attempts to codify conservation among sport users of this resource have been rejected by the Department and Board of Fish over the last three regulatory cycles.

These measures, if successful, may also have the unintended consequence of further driving new commercial participation due to ease of interim permit access and continued, but necessary, reductions of gear for the non-commercial participants that the Department will necessarily have to implement.

The only backstop for the commercial fleet in this fishery is to limit the ability for hobbyists to take advantage of the open access ease of interim use permits. If no measures are taken, then the value of the commercial market for this product will continue to be eroded and those who have worked to build that market will lose their gear, vessel, and market investments in this fishery.