



## Gulf of Mexico Grouper and Tilefish IFQ



### Vital Stats

First year: 2010

Type of Catch Share Program: IFQ

Management units: Shares will be separated into the following categories: Red Grouper, Gag Grouper, Other Shallow Water Grouper (including black grouper, scamp, yellowfin grouper, red hind, rock hind, and yellowmouth grouper), Deepwater Grouper (including yellowedge grouper, warsaw grouper, snowy grouper, speckled hind, and misty grouper), and Tilefishes (including goldface tilefish, blackline tilefish, anchor tilefish, blueline tilefish, and tilefish)

### Available Trend Data

Season length (Before Program): variable

Ex-vessel value (Before Program, 2007):

Red Grouper: \$11,028,194

Gag Grouper: \$4,422,374

Other Shallow Water Grouper: \$732,731

Deepwater Grouper: \$5,038,465

Tilefishes (Golden and Blueline): \$673,004

Stock status (Before Program):

Red Grouper: Overfished: NO, Overfishing: NO

Gag Grouper: Overfished: YES; Overfishing: YES

Other species: Overfished: Undefined, Overfishing: Unknown

### Nature of Harvest Privilege

Eligibility: Initial IFQ shares and allocation will be distributed to participants who own a valid (active or renewable) commercial Gulf of Mexico reef fish permit as of October 1, 2009, and who reported grouper or tilefish landings during the qualifying time period (1999 through 2004). Everyone with a valid Gulf of Mexico reef fish dealer permit is eligible to participate in the program as a dealer.

Duration: Open ended. Council can end program through normal Council process. Council will review the program every 5 years.

Transferability: All participants with an active or renewable commercial Gulf of Mexico reef fish permit and an active IFQ online account are eligible to purchase IFQ shares and allocation from current IFQ shareholders for the first five years of the program. Beginning January 1, 2015, all U.S. citizens and permanent residents will be eligible to purchase shares/allocation.

Accumulation: Holdings can be no greater than a certain percentage of the total available quota for each species/group. The caps were determined by the maximum IFQ share issued to a person, corporation, or other entity at the time of initial apportionment of the IFQ shares. The caps are: Red Grouper 3.69%; Gag Grouper 2.29%; Other Shallow Water Grouper 7.05%; Deepwater Grouper 14.28%; and Tilefish 11.47%.

For more information on the  
Gulf of Mexico Grouper and  
Tilefish IFQ program:

[http://sero.nmfs.noaa.gov/sf/  
Amendment29.htm](http://sero.nmfs.noaa.gov/sf/Amendment29.htm)

Initial Allocation: Shares will be distributed to each participant based on average annual landings of grouper and tilefish from logbooks associated with their reef fish permit(s) during the time period 1999 through 2004, with an allowance for dropping 1 year. Three percent (3%) of the total available IFQ shares will be reserved during the first year of the program for use in resolving disputes.

### Management

Identified Costs: NA

Cost recovery: The cost recovery fee will be three percent (3%) of ex-vessel value of the landed fish for the first year (2010); the amount will be evaluated each year thereafter.

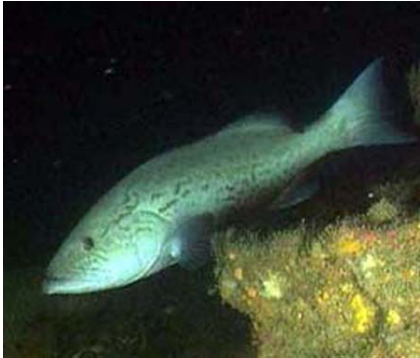
Monitoring: IFQ participants must report a landing notification at least 3 hours, but no more than 12 hours, prior to any landing. All vessels with a reef fish permit are required to have vessel monitoring systems. Landing transactions must be completed via an online reporting system through a permitted dealer with an IFQ dealer endorsement.

### Summary

Regulatory measures currently used in the management of tilefish and grouper have resulted in overcapitalization of the commercial grouper and tilefish component of the reef fish fishery; meaning that the harvest capacity of fishing vessels and participants is in excess of that required to efficiently harvest the total allowable catch (TAC). Overcapitalization has caused regulations to become increasingly restrictive over time, intensifying derby conditions under which fishermen race to harvest as many fish as possible before the quota is met. Increasingly restrictive regulations have resulted in excess capital investment, increased operating costs, shortened seasons, fluctuations in domestic grouper and tilefish supply, and depressed ex-vessel prices; leading to deteriorating working conditions and lower profitability.

NMFS in collaboration with the Council developed Amendment 29 to the Gulf of Mexico Reef Fish fishery, to implement an individual fishing quota (IFQ) program beginning in January 2010. For an IFQ program to be approved in this fishery, the Magnuson-Stevens Act required that a referendum be passed by a majority of permit holders who have substantially fished grouper and tilefish species. In December 2008, a vote was held to determine if commercial grouper and tilefish fishers approved of the proposed IFQ program. Of the 273 eligible fishermen who voted, 220 votes (81%) were in favor of the proposed IFQ program, and 50 (18%) were opposed to it.

The purpose of this program is to rationalize effort and reduce overcapacity to achieve and maintain optimum yield in this multi-species fishery. Rationalizing effort should mitigate derby fishing, improve profitability, improve working conditions and safety at sea, and reduce bycatch. Amendment 29 also contains actions to allow permit consolidation (also known as permit stacking), which would allow owners of multiple commercial vessel permits to consolidate some or all of their permits into one; this could contribute to a faster reduction in the number of permits and ease permit renewal requirements.



For additional Catch Share Spotlights in this series go to:

<http://www.nmfs.noaa.gov/catchshares>

Questions, comments or need more information? Contact us via email at:

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