

## LATENT LIMITED ENTRY TRAWL PERMITS

Situation: A NMFS Northwest Region document was provided to the Council on this issue under the NMFS groundfish regulation status report at the March 2004 Council meeting. Dr. Steve Freese will present a summary of the report at this meeting. An updated version of the report, with some minor revisions, will be provided in your supplemental materials.

The issue of latent permits and the Council's consideration of trawl individual fishing quota (IFQ) interact. To the degree that initial allocation is based on permit catch history, the amount of IFQ issued for latent permits will be substantially less than more active permits. If a trawl IFQ system is eventually implemented, the IFQ issued will take on much of the value currently associated with trawl limited entry permits and the value of trawl limited entry permits will decline to minimal levels. Even though a control date of November 6, 2003 was adopted to limit economic speculation in the IFQ program, while the IFQ program is being considered, latent permits may become more active. If no trawl IFQ program is eventually adopted, latent permits may be transferred to more active vessels and fishing pressure in the fishery may increase.

### Council Task:

- 1. Discussion of whether or not to consider taking steps to address the latent capacity issue.**

### Reference Materials:

1. Exhibit C.17.b, Supplemental NMFS Report: The Aftereffects of the Pacific Groundfish Limited Entry Trawl Buyback Program, A Preliminary Analysis.

### Agenda Order:

- a. Agendum Overview
- b. NMFS Report
- c. Reports and Comments of Advisory Bodies
- d. Public Comment
- e. Council Guidance

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PFMC  
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