NORTH CAROLINA STRATEGIC PLAN FOR SHELLFISH MARICULTURE

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BACKGROUND

North Carolina has over 1.4 million acres of coastal waters that are well suited for shellfish mariculture. Since 1858, the state has allowed public trust coastal waters to be privately used for shellfish production. As of 2017, North Carolina had over 45 water-column leases and over 230 bottom leases, collectively covering over 1,800 acres. In recent years the state has seen an increased interest in shellfish farming.

The NC Strategic Plan for Shellfish Mariculture analyzed ways in which to grow the state’s shellfish mariculture presence to a $100 million industry by 2030. This study was mandated by the North Carolina General Assembly in the annual budget bill, House bill 1030, during the 2016 legislative session. Over an 18-month period dozens of stakeholders worked together to develop the plan, which was submitted to the legislature in December 2018.

By evaluating industry challenges and analyzing similar industries in other states, the study identified various funding options, economic programs, regulatory and promotional frameworks, and statutory considerations that could be implemented to support shellfish growers and the industry as a whole.

RESEARCH FINDINGS

Between 2011 and 2017, oyster mariculture saw a three-fold increase in production and five-fold increase in its farm-gate value.

Expanding the mariculture industry will bring an increase in jobs to coastal communities, where poverty rates exceed the state average. It will also support the environmental health and growth of the coast because the addition of oysters reduces harvest pressure on wild shellfish stocks, increases water filtration, and supports enhanced biodiversity.

Although recent growth of the industry indicates the state is in a position to increase its national market share of farmed shellfish there are challenges that obstruct its future success. There are numerous barriers to entry in the shellfish industry that include limited crop insurance, start-up costs of mariculture farms, and inefficient regulatory frameworks. Addressing these challenges and identifying solutions is critical to growing the shellfish mariculture industry.
POLICY RECOMMENDATIONS

The Shellfish Mariculture Plan’s recommendations are categorized into six themes that address priorities identified by the General Assembly. These themes encompass 21 specific policy and funding recommendations. Examples of the recommendations include:

- **Supporting Shellfish Growers**
  - Support the NC Shellfish Grower Association’s efforts in developing a pilot Federal Crop Insurance program for farmed shellfish
  - Establish a low-interest loan program to support shellfish growers
  - Include shellfish growers in future disaster relief fund appropriations

- **Promotional and Marketing Needs**
  - Commission a market analysis for state shellfish products
  - Support the development of a North Carolina Oyster trail

- **Efficient Regulatory Structure**
  - Appropriate funding to establish the Shellfish Leasing Section in the NC Division of Marine Fisheries
  - Support the establishment of a Shellfish Mariculture Governance Advisory Committee

- **Statutory Changes**
  - Establish Shellfish Enterprise Areas (SEAs) consisting of multiple connect parcels for shellfish mariculture
  - Increase utilization requirement and enforce a “use it or lose it” policy for shellfish leases
  - Institute stricter punishments, such as higher fines, for parties convicted of stealing or damaging property on shellfish leases

- **Maintain and Improve Water Quality**
  - Adopt a State policy to require Low Impact Development (LID) practices for any feasible State-funded construction projects
  - Promote grant funding for projects that protect growing waters and support habitat restoration in high-priority shellfish growing areas

- **Address Research Needs**
  - Establish a Mariculture Resource Grant program that funds grower-led projects
  - Develop a Shellfish Mariculture Grant Program that supports research projects

A list of all of the recommendations can be found in the full NC Shellfish Mariculture Plan found at: [https://collaboratory.unc.edu/current-projects/legislative-studies/nc-strategic-plan-for-shellfish-mariculture-final-2018/](https://collaboratory.unc.edu/current-projects/legislative-studies/nc-strategic-plan-for-shellfish-mariculture-final-2018/)