

RESEARCH STEERING COMMITTEE WORKSHOP 1
SSC Economics Workgroup Assessment
June 28, 2021

TOPIC 3. RSA Program Transparency and Conflicts of Interest

1) THE ISSUE

The historic RSA program was a federal financial assistance program in the form of a grant, not a contract, governed by a large body of rules and regulations that acknowledged past performance in the proposal's evaluation and ensured future accountability via "best effort." One of the main objectives of the historical RSA program was to regain public trust in the science and management of fisheries. The RSA review made clear that the historical program eroded, instead of bolstered, the trust for a multitude of reasons (Seagraves 2014).

Avoiding conflicts of interest throughout the process, from proposal ranking to quota sales through the scientific review of the final report, is a key component of regaining public trust in the RSA program. This transparency is key to ensure the Council, NOAA, and, by extension, all entities involved in the RSA program are viewed as "honest brokers;" i.e., trusted by the public to facilitate the program with the aim of maximizing the benefits to society and not any one individual or party.

For example, transparency in peer review is paramount if the SSC is to become more engaged in the RSA review process, as several members have been recipients of historic RSA awards.

2) PAST RSA EXPERIENCE WITH THE ISSUE

1. As part of the federal grant process, potential conflicts of interest are avoided by disqualifying technical reviewers with existing relationships to proposal teams.
2. Persistent concerns about the "veracity of research" (Seagraves 2014) funded under the RSA program highlights the need for additional safeguards and transparency, including public conflict of interest policies. A recent NEFMC RSA review highlighted stakeholder concerns as follows: "There is potential for conflict of interest to enter in the process of priority setting at various levels (i.e. PDT members, advisory panel members, etc.) since some participants are also applicants and/or recipients of RSA grants." (Research Set-Aside Review Panel 2019)
3. Conflict of interest in the Management Review Panels utilized by the NEFMC are also a continuing concern for some stakeholders (Research Set-Aside Review Panel 2019).
4. There were perceived inequities regarding the auctions used to sell RSA quota, with the perception that "...the program is only available to a select few..." fishermen (Northeast Fisheries Science Center 2009).

3) DIFFERENT OPTIONS THE COUNCIL COULD CONSIDER FOR THE ISSUE

DISCUSSION DRAFT

It is clear that concerns about the financial integrity of the historic RSA program undermined the public's perception of the science/management nexus, working directly against a major objective of the program itself. Full and transparent accountability should be viewed as a non-negotiable pillar of any RSA redesign to ensure that the program leads to credible outcomes. Best practices would suggest extending the Conflict of Interest policy to all aspects of the RSA program, if redeveloped. This would include: (1) the preliminary ranking of RSA research priorities, (2) engagement of the SSC as an additional pool of peer review expertise, and (3) full disclosure in sale of quota, and other decision points in which less than full transparency could reduce public trust in the RSA program.

To a great extent, this extension merely entails codifying practices already used by the MAFMC and other bodies related to RSA administration. For example, both Council members and SSC members routinely recuse themselves from deliberations and decisions in which there is potential for a perceived conflict of interest (see, e.g. May 2021 SSC report https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/60bfc1b8dc98c54b33d1aa63/1623179705235/MAFMC+SSC+Report+May+2021+meeting_final.pdf). However, it would be important to have a formal process by which the conflicts of interest are publically identified and addressed for purposes of transparency.

The extent to which third parties such as clearing houses, auctioneers, or other entities facilitating the buying and selling of quota would be held to a conflict of interest policy depends on the exact manner in which that entity is engaged. Nevertheless, it would be important that any entity engaged in such a manner understand that public perception is a key metric by which the success of the RSA program will ultimately be judged. Public conflict of interest policies, or lack thereof, could play a key role in public perception. Compliance costs should be minimal on this front, given that the mitigation of conflicts of interest are considered best practice across all industries.

Recommendations:

1. Publicize existing Conflict of Interest Policies such as Department of Commerce Form CD-571 for RSA program reviewers.
2. Develop public Conflict of Interest policies for the SSC, MAFMC, APs, and others engaged in RSA program prioritization, technical review, and funding to ensure transparency and increase trust.

Seagraves, Rich. Mid-Atlantic Fishery Management Council, "RSA Program Issues", Dover, DE, July 30, 2014.

Northeast Fisheries Science Center. 2009. *Northeast Research Set-Aside Programmatic Review Report*: Woods Hole, MA June 12, 2009.

Research Set-Aside Review Panel. 2019. Program Review of New England Research Set-Aside Programs: Final Report: New England Fishery Management Council: Newburyport, MA: April 2019.