

# Economic Work Group

Mid-Atlantic Fishery Management Council SSC Update

September 14, 2022



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# SSC Economic Contributions since Sept. '21

- Research Set Aside (Primary Focus)
- Summer Flounder Management Strategy Evaluation
- Recreational Harvest Control Rule SSC review
- Recreational Models SSC Review



# Last SSC Update in March

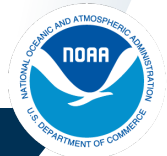
- Workshop 3 & 4 Report out
- Lessons learned
- Anticipated April RSC meeting
  - Recommendation to Council
- Council vote in July



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# Final Report to Council

- Structured around 4 SSC functions
  1. Review
  2. Scientific Specifications
  3. Focused Analyses
  4. Scientific Advice



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# 1. Review

- 9 topics covered in 6 one-page synopses
  1. Peer review & Principal Investigator Communications
  2. Approved Statistical Design
  3. Financial Integrity/Conflicts of Interest
  4. Consistency with Council Objectives
  5. Data Access & Transparency
  6. Benefit/Cost Principles
  7. Social Equity
  8. Coordination
  9. Decoupling Allowances from Research



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## 2. Scientific Specifications

- Highlighting need for specific goals/objectives
  - Developed by Research Steering Committee
- Collaborative development of decision tree
  - Who is involved in the RSA program
  - How would RSA quota be allocated/divided
  - What does an RSA trip look like
  - Trade-offs across goals/objectives
- Framed discussion in Workshop 4



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# 3. Focused Analyses

- Hypothetical assessment of revenue raised

**Table 1. Comparison of additional revenue generated from an auction relative to bilateral agreements, under alternate assumptions on market structure.**

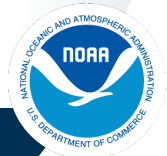
<b>Scenario</b>	<b>Comparison (Excess Revenue in the Auction)</b>
Baseline Case	28%
Separate Com. & Rec. RSA Auctions	15%
Auction with high Admin/Entry costs	17%
Auction with Collusion	20%
Separate Com. & Rec. RSA Auctions with High Admin/Entry costs	5%



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# 4. Scientific Advice for Decision Making

- Workshop 3 Monitoring & Enforcement
  - Expected Cost of Mislabeling
    - Prob. Caught, Indicted, & Convicted x penalty
  - Expected Benefit from Mislabeling
    - Prob. Not Caught, Indicted, or Convicted x additional profit
  - Mislabeled if Expected Cost < Expected Benefit
  - Increased monitoring & enforcement only option



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# Key Report Recommendation

- Data Dependent Quality of Analyses, Recommendations, & Advice
  - Need Measures to Collect Economic Data
    - Bid Data key to Understanding Program Performance
      - Federal Timber, Oil & Gas, Offshore Wind Leases all Public
    - Assessment of Program Expenditures vs. Revenue Raised



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# More Organic Workflow moving forward

- Driven by expertise and interest
  - Additional RSA aligned projects likely
  - Ecosystem WG support
  - Annual Recreational Specifications
  - Recreational Harvest Control Rule
  - 2023 Council Priorities
- Coordinated through Economic Work Group



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