

**NOAA
FISHERIES**

Economic Work Group

MAFMC SSC Update

March 10, 2021

Economic Work Group Members

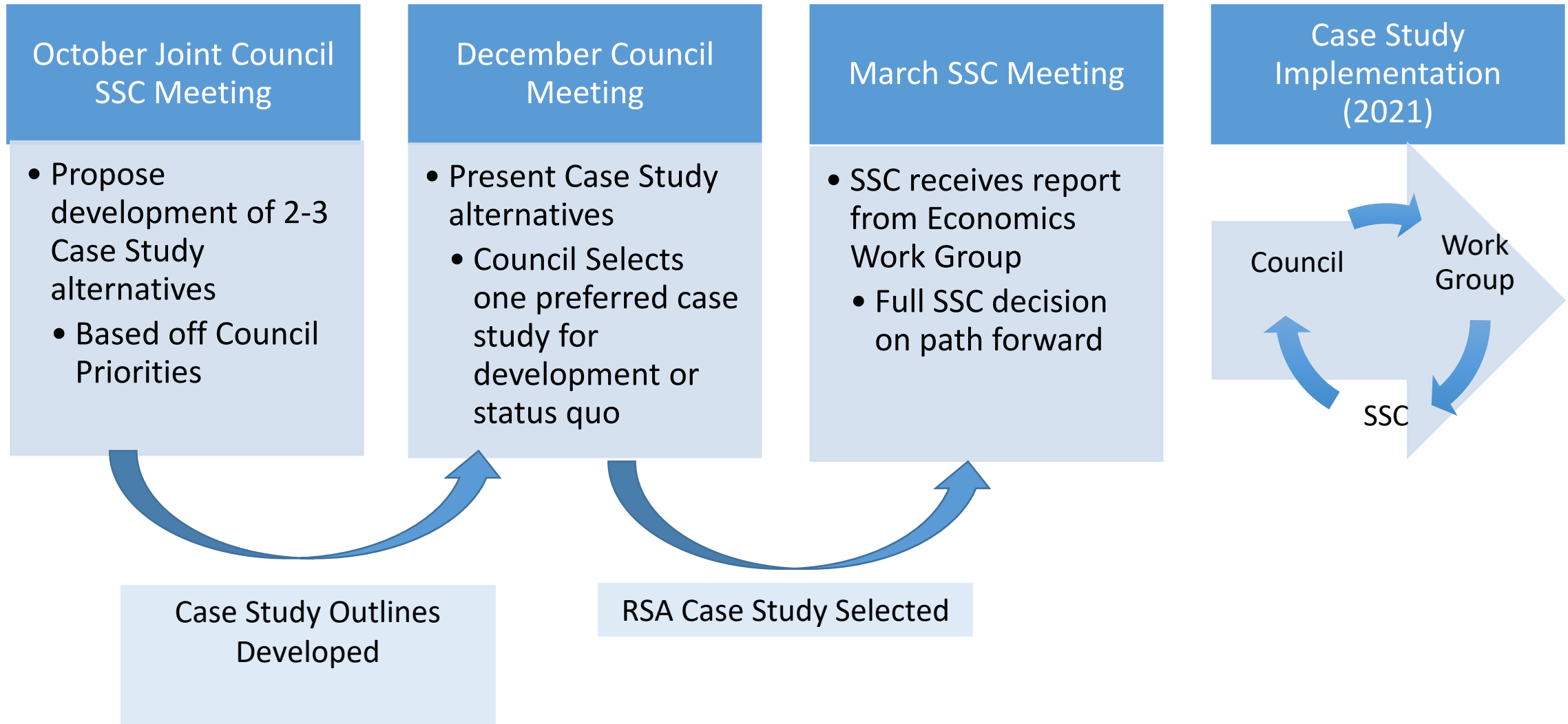
- Lee Anderson
- John Boreman
- Geret DePiper (chair)
- Sarah Gaichas
- Mark Holliday
- Jorge Holzer
- Yan Jiao
- Paul Rago



Economic Work Group Background

- Follow-on from August 2019 Joint Council/SSC meeting
- SSC recommended formation
 - July 2020 SSC Meeting
- Work Group concept presented to the Council
 - August 2020 meeting
 - Request for additional details
- SSC update September 2020

MAFMC SSC Economic Work Group Proposal



Ultimate Goal of Case Study

- Develop a programmatic process for engaging SSC economic expertise
 - Collaborative
 - End-to-end
 - Maximize value added



Proposal Topic Selection

- 59 priorities identified in draft 2021 Implementation Plan
- Considered only priorities early in development
 - Did not review Possible Additions
- Criteria
 - Value added by Work Group engagement
 - Feasibility
 - Theory, Data, Models, Complexity, etc.
 - Time until completion



6 Priorities discussed, 3 Proposals developed

1. River Herring/Shad Catch Cap Performance Review
2. Research Set Aside Redevelopment
3. Economic Impacts of Modifying Spiny Dogfish Trip Limits White Paper



Each proposal addressed the following

1. Benefit of Work Group Engagement
2. Proposed Engagement Process
3. Anticipated Products
4. Performance Metrics

RSA Program Review & Redevelopment

Background

The Research Set Aside (RSA) Program ran from 2002 to 2014

- 41 projects funded at a total cost of \$16.3 million

Noncompliance with RSA quota reporting requirements led to suspension of the program

Additional concerns raised at the time:

- Limited benefit and application of RSA research projects
- Dissatisfaction with auctions conducted by NFI



RSA Program Review & Redevelopment

Benefit of Work Group Engagement

1. Select candidate fisheries and research projects to be funded
 - Which fisheries should be prioritized for research goals?
 - SSC involvement in screening projects
2. Maximize funding available for research projects
 - Consider alternative auction formats
 - Alternatives to fee per vessel to pay for administration costs
 - Method to determine minimum (reserve) price of quota
3. Enforce and monitor RSA quota
 - Improve compliance through requirements such as VTRs, observers, hail-in & hail-out, designated ports for landing RSA quota, and upfront payment for quota



RSA Program Review & Redevelopment

Proposed Engagement Process

1. Coordinate with Council staff on format and information requirements of RSA workshop
2. Gather input from Research Steering Committee during development of recommendations
3. Provide background information and material for RSA workshop, participate in RSA workshop
4. Present final findings to Council Fall 2021
 - Intermediate product



RSA Program Review & Redevelopment

Anticipated Products

1. Report with recommendations for stakeholders that will participate in the RSA workshop to address:
 - Selection of fishery and research projects
 - Allocation of RSA quota and revenue generation
 - Enforcement and monitoring
2. Report to highlight the link across the three components of the program above (as driven by both researchers' objectives and fishermen's incentives)



RSA Program Review & Redevelopment

Performance Metrics

- Continued Council interest in engagement
- Workshop/Council discussions
- If implemented:
 - Number of research project funded annually
 - Number of research projects carried out to completion
 - Whether results from research inform management
 - Total revenue generated, number of quota trades, number of violations, etc.



3 Subgroups defined

1. RSA Research

- Lead: Mark Holliday; Lee Anderson, Yan Jiao, Geret DePiper
- Economic contributions to:
 - Research Prioritization
 - Program Performance

3 Subgroups defined

2. RSA Funding

- Lead: Jorge Holzer; Paul Rago, Geret DePiper
 - Funding Mechanism
 - Data availability key

3 Subgroups defined

3. RSA Enforcement

- Lead: Lee Anderson; John Boreman, Geret DePiper
- Liaison with OLE & GARFO
 - Economic considerations of:
 - Enforcement mechanisms
 - Monitoring

Next Steps

- Subgroups meeting to assess workflow & expectations
- Research Steering Committee Meeting
 - March 18, 2021
- April – September 2021 Work Iteration
 - Work Group, SSC, Research Steering Committee, and Council
- Final Report to Council Fall 2021

Open Call for SSC members: Interest in joining Subgroup work?



Recreational Reform Initiative

- 2022 expected completion
 - 9 issues considered
- High Council Value
- High Value Added by Workgroup
- Low Feasibility

Support Research Track Assessments for Illex/Butterfish

- 2022 expected completion
 - Illex Squid & Butterfish
- High Council Value
- Medium Value Added by Workgroup
- Low - Moderate Feasibility

East Coast Climate Change Initiative

Fall 2022 Estimated Completion, unclear action timeline

- Scenario Planning Exercise
- High Council Value
- Medium-High Value Added by Workgroup
- Low-Moderate Feasibility

River Herring/Shad Catch Cap Background

Historical Catch rates scaled to current Atlantic Mackerel quota

- Set at 129 MT for 2021 – 2022
- Intent: Minimize bycatch at all Atlantic Mackerel quota levels

NEFOP bycatch estimates

- Low coverage rates
 - Transition period while < 5 trips observed

Atlantic Mackerel mixed fishery with Atlantic Herring



River Herring/Shad Catch Cap

Benefit of Work Group Engagement

1. Do catch caps appropriately minimize bycatch?
 - Survey of alternate approaches
 - Bering Sea Pollock/Salmon complex
2. What are the benefits/costs of bycatch data streams?
 - At-sea vs. dockside
3. Does mixed fishery create unintended management consequences?
 - e.g. 2019 race to fish



River Herring/Shad Catch Cap Proposed Engagement Process

- Coordinate with Council staff on white papers under development
- Input from AP/Committee/Council during development of report
- Preliminary findings to AP/Committee prior to final findings
- Final findings to Council in October 2021
 - Intermediate product



River Herring/Shad Catch Cap

Anticipated Products

1. Review of bycatch incentivization measures internationally
2. Assessment of costs and benefits for portside vs. at-sea monitoring
3. Study of potential unintended consequences due to mixed fishery
4. Outline of process for integrating findings into management



River Herring/Shad Catch Cap Performance Metrics

- Continued Council interest in engagement
- AP/Committee/Council discussions
- Feasibility of proposed work

Economic Impacts of Changing Spiny Dogfish Trip Limits

Background

- Current trip limit - 6,000 lb
- Two competing views on increasing limit
 1. ~ 30,000 lb limit necessary to allow industrial fishery
 2. Increasing trip limits will harm current fishery
 - Downward pressure on prices
 - Shorten season
 - Differential impact on large/small vessels
 - Spatially impact access to quota due to seasonal migration

Spiny Dogfish Trip Limits

Benefit of Work Group Engagement

1. Elucidate the arguments put forth by stakeholders
2. Quantify the distribution effects
3. Highlight any potential inefficiencies, and benefits, induced by various management approaches.

Spiny Dogfish Trip Limits

Proposed Engagement Process

1. Obtain detailed understanding of arguments put forth
 - Use multiple channels of communication
 - Meetings
 - Survey
 - AP/Stakeholders
 - MAFMC
 - NEFMC
 - ASMFC

Spiny Dogfish Trip Limits

Anticipated Products

1. A theoretical analysis of trade-offs associated with the range of trip limits which are of interest to stakeholders.
2. An inventory/gap analysis of data available to support modeling.
3. Outlines of empirical analysis which could assess the impacts of trip limit (and/or quota) changes on vessels, with a particular focus on distributional changes across fleet segments.

Spiny Dogfish Trip Limits

Performance Metrics

- The ultimate performance metric will be the improvements in industry operation that result from suggestions in the white paper.
- Intermediate metrics will be the timing and amount of interaction with industry, staff, and the authors of the white paper.