



Mid-Atlantic Fishery Management Council

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MEMORANDUM

Date: January 11, 2022

To: Research Steering Committee

From: Geret DePiper, NEFSC and SSC Economic Work Group chair
and Brandon Muffley, staff

Subject: Considerations for RSA Decision Tree

At the January 18th Research Steering Committee (Committee) meeting, the Committee will continue to develop the details, topics, and agenda for the fourth, and final, planned in-person workshop regarding the possible redevelopment of the Mid-Atlantic Fishery Management Council's (Council) Research Set-Aside (RSA) program. One of the focused discussions regarding the workshop agenda will be developing draft details for a potential future RSA program through the use of a decision tree. Getting Committee input and guidance on a draft RSA program structure will help provide for a more informative and focused fourth workshop in February.

To facilitate the Committee's discussion, a decision tree that highlights core RSA questions has been drafted. The questions are grouped to be mutually exclusive decisions which, together, would shape the form and function of an RSA program, if the Council decides to move forward with a redevelopment. It is hoped that the Committee will select draft answers to these questions during their January 18th meeting, and **these draft answers would serve as a starting point for discussions during the February workshop**. The Committee should use the updated and refined draft goals and objectives originally developed during their November 16th meeting to help inform the draft answers to the decision tree. This memo presents examples of how the draft goals and objectives can be used to inform the answers to the questions outlined in the decision tree, and the resulting trade-offs implicit in the design of the program.

Assume draft Goal 4 is the primary goal of the program: Foster collaboration and trust between scientific and fishing communities and the general public. In terms of who is involved in the RSA program (Topic #1), this would suggest a potential outcome of this goal would be to maximize the number of fishermen engaged in the RSA program to increase the opportunity for collaboration across a broader swath of the industry. In turn, this suggests the Committee would select 1B (Allow commercial and for-hire sector participation), 3B (Allow participation by federally-permitted and state-permitted vessels), and answer 1C to keep quota allocation separate across sectors. Additionally, the Council would likely *not* select 3C (Do not allow participation by vessel owners that are also dealers unless dealer has a physical address for place of business), 4 (Allow states to opt out of shoreside participation in an RSA program), 5A (cap the number of vessels that can participate within each state/sector), 6A (Require observers onboard all RSA compensation fishing trips), nor 6B (Require all vessels to be equipped with VMS or AIS), as all of these

choices would restrict who could/would participate in the RSA program. However, the Committee needs to keep in mind that these choices would have ramifications for Goal 1: Ensure effective monitoring, accountability, and enforcement of RSA quota (Enforcement and Administration), in that it increases the complexity of monitoring and enforcement in a manner directly counter to the first objective under that goal (Minimize law enforcement and administrative burdens), and recommendations from Office of Law Enforcement and state staff during Workshop 3 (<https://www.mafmc.org/s/RSA-workshop-3-enforcement-summary-report-Final.pdf>). In addition, separating quota across sectors would decrease the revenue available to fund research, as highlighted in the SSC Economic Working Group Analysis of RSA Funding Mechanisms presented as background material for Workshop 2 (https://www.mafmc.org/s/supporting_materials_RSA_w2_08_27_2021.pdf). This, in turn, would then have implications for the meeting the objective of maximizing revenues from RSA quota under Goal 2: Generate resources to fund research projects that align with the priorities of the Council (Funding).

With respect to how you would allocate/divide RSA quota (Topic #2), and restricting the discussion to the top tier questions for brevity, a focus on Goal 4 would lead the Committee to choose 1A. (RSA applies to all fisheries/species), 2A (Allow specific percentage of revenue from species quota sale to be used for other species), and 3A (Funding mechanism should include ability to use both bilateral agreements and third party auctions). These choices would again maximize the number of participants who would likely participate in the program, either directly, or by allowing revenue to be generated/used across a broader swath of fisheries than otherwise would be possible. Again however, these choices make monitoring and enforcement more complicated by increasing the number of individuals engaged in RSA fishing, as highlighted in Workshop 3. Conversely, these decisions could help fund important research for low-valued but critical species which might not otherwise be conducted, supporting Goal 3: Produce quality, peer-reviewed research that maximize benefits to the Council and public and enhance the Council's understanding of its managed resources.

In terms of what an RSA trip looks like (Topic #3), the prioritization of Goal 4 would lead the Committee to select 1B (Compensation harvest decoupled from research activity, but vessels harvesting RSA quota also participate in research trips), 2B (Allow both RSA and non-RSA harvest on the same trip), and 6C (Allow RSA trips flexibility in both the timing and landings throughout the year). Goal 4 would also lead the Committee to *not* select 3A (Limit RSA offload to specific ports in each state), 3B (Require all RSA quota to be offloaded at the same port from pre-trip notification), nor 4 (Limit RSA offloads to specific hours). The selection of 2B and 6C, and avoidance of 3A, 3B, and 4, would help maximize the number of fishermen likely to participate in the RSA program. Conversely, selection of 1B would be expected to decrease participation to only those vessels who could support the research being proposed, but enhance the relationship between fishermen and scientists, ostensibly also increasing the trust in the science generated. The impact of these choices on monitoring and enforcement is uncertain, and depends partially on whether participation rates increase or decrease with the mix of incentives provided. However, increased flexibility in how quota is used throughout the year through 2B and 6C and the avoidance of 3A, 3B, and 4, would be expected to increase the complexity and difficulty of monitoring and enforcement. Conversely that increased flexibility would likely make quota more valuable to a range of fishermen and thus could increase the revenue available to fund research, although decision 1B would be expected to decrease the competition for quota somewhat. The net impact of these decisions on Goal 3 is also uncertain, and likely different across species depending on whether the fleet is generally well suited to serve as a research platform for the scientific questions being posed.

As this memo lays out, the decision tree presented to the Committee for consideration had numerous mutually exclusive answers. As one can see with the examples provided above, identifying program goals

and objectives will help identify potential answers to a number of priority questions contained in the decision tree; while the Committee's answers to these priority questions will impact expected performance of any redeveloped RSA program against the goals and objectives that ultimately are selected. As the Committee drafts initial answers to these questions, it will thus be important to consider how the choices within the decision tree either enhance or degrade the ability of the RSA program to achieve the stated goals. The Committee may want to develop an initial prioritization of the goals and objectives as it considers these trade-offs to help ensure the highest priorities of a possible future program are appropriately addressed through the structure of the program.