

Research Set-Aside Project Update
July 23, 2021 SSC Meeting

SSC Economic WorkGroup
Session

Role of the SSC Economic Workgroup

- Provide scientific economic advice and perspective through a case study approach (as selected by the Council)
- Ask: Should Council re-start the RSA Program?
- Three RSA foci: Research Priorities; Funding; Enforcement
- Work in collaboration with the Research Steering Committee (RSC); participate in the RSA Workshops (3 virtual, one in-person)
- Provide a final written report to the Council

RSC Goal for RSA Workshops

“Develop recommendations with insight provided from the list of participants and members of the public outlining how a revised RSA program can be successful.”

The SSC Workgroup goal is to support a thoughtful, informed, and participatory dialogue

For July 15th Workshop Topic on Research

- The SSC Economic Workgroup identified many RSA project selection criteria, some with unique economic relevance relative to proposal and peer review.
- Ten issues were chosen with most saliency to the lessons learned from the historic RSA program, and the most economic consequences to any future RSA
- We only had time to present 5, but all 10 will use the workshop outputs and be in our final report to the Council at the end of the summer

SSC Economic Workgroup: Process for Workshop One

- Use concise facilitated 10-15 minute interactive discussions, each using a common approach
- Each topic supported by a written "one-pager" laying out essential information
 - 1) Define issue
 - 2) Summarize past RSA experience
 - 3) Recommendations
- SSC author gives 3-5 minute overview, then facilitates audience reaction, comments, ideas, suggestions

Presentations and Authors

Presentation 1. Consistency with stated Council plans/objectives; Linkages to management goals. Application of Benefit/Cost principles in proposal evaluation. Dr. Mark Holliday

Presentation 2. Peer Review and Principal Investigator (PI) Communications: Before, During, and After Completion of RSA projects. Dr. Olaf Jensen

Presentation 3. Conflict of Interest. Dr. Geret DePiper

Presentation 4. Universal data access and transparency. Dr. Yan Jiao

Presentation 5. Decoupling allowances. Ecosystem Species. Dr. Jorge Holzer (Presented by Dr. DePiper)

RSA Workshop #2 Preview

An Update – Dr. Jorge Holzer

July 23th, 2021

Workshop # 2: Financing (Original Plan)

- The original plan for the second RSA workshop (scheduled for August 31st) relied on the auction data from the original program and data on fishing activity of participants. It included the following components:
 1. Description of the operation of the auctions in the original RSA program, and its difference with the operation of the scallop program.
 2. Estimation of harvesters' willingness to pay (how much do they value the quota?) for quota of at least a couple of species.
 3. Simulation of revenue generation and allocation of the quota under a fixed price offer (e.g., as in the scallops' program) and under different auction formats.
 4. Estimation of jointness in production for different species to assess complementarities in the value of quota of different species (Does it make sense to bundle the quota of some of the species?)
 5. Discussion of the pros and cons of fixed-price offers versus auctions (including the ancillary benefits for management of additional information collected under each type of market).

Workshop # 2: Financing (Updated Plan)

- The Economic WG was not granted access to the auction data from the original RSA program. In consequence, the updated plan for the second workshop is less ambitious:
 1. Description of the operation of the auctions in the original RSA program, and its difference with the operation of the scallop program.
 2. Examples of revenue generation and allocation of the quota under a fixed price offer (e.g., as in the scallops' program) and under a couple of auction formats using a made-up distribution of willingness-to-pay.
 3. Discussion of the pros and cons of fixed-price offers versus auctions (including the ancillary benefits for management of additional information collected under each type of market).

Workshop # 3: Enforcement

- SSC Workgroup Lead: Dr. Lee Anderson
- Workshop scheduled for Oct. 14th