

COUNCIL STAFF COMMENTS ON THE DRAFT GUIDANCE FOR CONDUCTING REVIEWS OF CATCH SHARE PROGRAMS

Council staff has reviewed the Draft Guidance for Conducting Reviews of Catch Share Programs (NMFS Report 8), and the draft was reviewed at the Council Coordination Committee (CCC) meeting in May. Based primarily on the discussion at the CCC meeting, Council staff offers the following observations and suggestions to the Council and its advisory bodies for consideration when developing recommendations to NMFS for finalizing the catch share review guidance.

I. Introduction

...“The goal of this guidance is to provide a resource to help ensure the reviews of catch share programs (CSPs) are comprehensive and targeted at meeting statutory requirements; coordinated with stakeholders; carried out in a transparent, efficient, and effective manner; and consistent across the country.”...

National consistence is not as important as allowing regional flexibility. The first elements of the sentence provide the national consistency (“meeting statutory requirements; coordinated with stakeholders; carried out in a transparent, efficient, and effective manner”), so we recommend considering replacing “and consistent across the country” with “while allowing the regional flexibility necessary to ensure this goal is met.”

III. Periodicity of Reviews

A. Initial Reviews. For CSPs established after January 12, 2007, the initial review should be initiated no later than 5 years after the program was implemented (MSA sec. 303A(c)(1)(G)).

MSA sec. 303A(c)(1)(G) states “5 years after the implementation of the program” rather than “no later than 5 years.”

B. Subsequent Reviews. According to Section 303A(c)(1)(G) of the MSA, all subsequent reviews should coincide with scheduled Council review of the relevant fishery management plan (FMP), but no less frequently than once every 7 years. Thus, for CSPs established after January 12, 2007, the second review should be initiated before the end of the program’s 12th year, regardless of when the initial review was actually completed.

Reviews should cover a meaningful period of implementation. If the previous review and related implementation measures have been in effect only for a few years, it doesn’t make sense to start another review, since there may not be an adequate data time series to evaluate the effects of new measures. It seems more logical to start the next review no more than seven years after completion of the previous review, or no more than five years after implementation of the new features/management measures adopted pursuant to the review.

IV. Process and Procedures

A. Review Plan. The general plan [for conducting the review] should be converted into a final plan approximately one year prior to initiating the review.

This seems unnecessary, essentially making it a review every 4 (or 6) years. Finalizing the plan should just be the first step in the 5- (or 7-) year review. This reduces flexibility to respond to changing conditions and requires even earlier consultations with constituents.

Additionally, approval of the review plan by the Council and concurrence from NMFS that the review plan meets the requirements of the MSA should occur at this point.

The review plan should be adopted through normal Council processes which provide NMFS a voice in the process and an opportunity to let the Council know if the agency has any serious concerns about the plan. As with other Council policy guidance, formal NMFS concurrence and approval should occur at the end of the process.

C. Interim Report. . . . Where possible, it is recommended that interested stakeholders, particularly program participants, be given the opportunity (formally or informally) to provide feedback on interim reports.

“Where possible” is a high standard and it is hard to maintain an equitable process with “informal” reviews. The Council process is an open process and there is already opportunity for the public to comment on any report provided for or generated through the process without specifying an additional requirement. Creating a greater opportunity for review implies some form of issuance of draft reports that are then finalized. This would belabor a process which is already working efficiently to generate policy decisions based on sound scientific information.

V. General Approach, Scope of Review, and Use of Standardized Approaches

A. General Approach. . . . Changes in economic impacts at the regional, state, and/or community level are also an important consideration and should be assessed as they are often of key interest to Council members and other stakeholders.

Economic impacts are not only of interest to Council members and stakeholders but may often be directly related to the goals and objectives of the program and therefore should be of equal concern to NMFS and fulfillment of the MSA mandates for a review of catch share programs. Change “are also an important consideration” to “should be assessed as they related to goals and objectives of the catch share program.”

B. Scope of Review. In addition, in cases with significant interdependencies or spillover effects between programs, the review could also consider whether the current scope of the program is still preferable to other alternatives. For example, interdependencies between programs may interfere with and possibly preclude achieving the goals and objectives of each program. These issues would be particularly acute in situations where there is significant overlap in the vessels and businesses that participate in multiple programs. Examples of potential changes that could be considered include adding or removing species or gear types from a program, merging separate CSPs, or reallocating species or gears across CSPs.

A good point, but it does not seem to relate to program review and is about a specific possible direction for program development. These and a large number of other possible modifications to the programs are likely to come out of a program review. If NMFS wants to offer further advice on the design of IFQ programs, it might want to amend the Holliday Anderson LAPP guidance document rather than layering this document with other considerations.

C. Use of Standard Approaches. When describing economic and social conditions and analyzing economic and social effects, reviews should make use of the NMFS Office of Science and Technology's (S/T) economic and social performance indicators to the extent possible. Brinson and Thunberg (2013) demonstrate how many of the economic indicators can be used to evaluate CSP performance...

This (underlined portion) is a lot of detail for a policy guidance document, and is likely to become outdated. Perhaps this is a national consistency issue, but consider incorporating as an appendix rather than as the policy guidance.

VI. Describing and Analyzing Program Performance

...Further, if a particular component of a program is the subject of a current management action, that component does not need to be addressed in a detailed manner within the review.

The meaning of "current management action" is not clear. Is this a reference to a component on which a Council is actively deliberating on, one that NMFS is in the process of implementing, one that has been recently implemented, or something else?

K. Auctions and Royalties. For CSPs implemented after January 12, 2007, section 303A(d) of the MSA requires Councils and NMFS to consider the use of auctions or royalties for the initial or any subsequent distribution of limited access privileges. Royalties and auctions are means to collect resource rents and return some of the economic value of the resource to the general public. Resource rent is the difference between the price at which fish can be sold and the respective production costs which include a normal return to the privilege holder. Thus, royalties and cost recovery fees are not synonymous.

As revised, it is not clear how this section relates to what should be contained within the program review.

PFMC
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