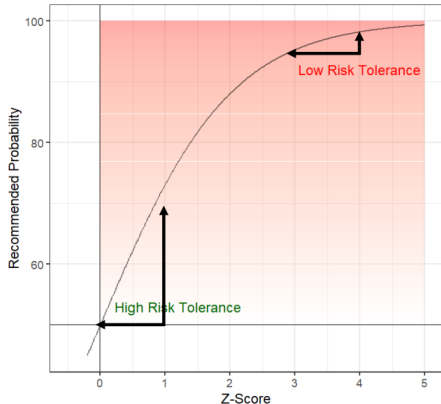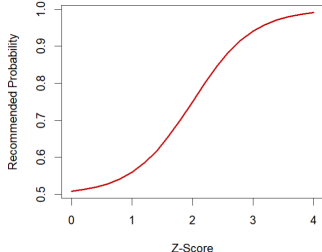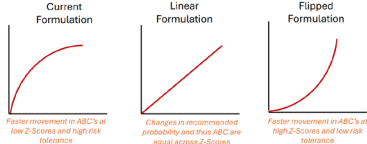# Risk Policy Concept – Draft – Summary of Factor Evaluation and Mechanics (Jan. 2026)

Factor	Goal of Factor (RPWG REVIEW!) *Intent of the Factor – FINALIZE in JAN*	Current Focus for Scoring *Data/Focus of initial factor*	Risk Policy Sub-Group Recommendation *Changes from Initial Concept Approval*	Keep? *2026*
Biomass/Stock Status	Risk: Productivity As SSB/SSBMSY increases, risk tolerance increases. Risk Tolerance: ↑ ↓	Considers SSB relative to SSB targets, and direction of stock trends (5-years) when stock status is unknown.	No change. Use.	✔
Recruitment	Risk: Future Productivity As recruitment increases, risk tolerance increases. Risk Tolerance: ↑ ↓	Considers recruitment over the last five years.	Use. Lisa/Jason working on adjustments. <u>Does the WG want to pursue those now or later?</u>	✔
Assessment type and uncertainty	Risk: Stock assessment performance and uncertainties. As assessment uncertainty increases, risk policy decreases. Emperical=less risk tolerance. Risk Tolerance: ↓	Considers assessment type (analytical vs. empirical), retrospective patterns, missing survey data.	Do not use right now (June 2026). Continue to develop this factor for future use. Discussed evaluating based on the last stock assessment. Need to consider changes to stock assessment process and how to handle data updates in Risk Policy.	✖
Climate Vulnerability	Risk: Associated with climate change As climate vulnerability increases, risk tolerance decreases. Risk Tolerance: ↓	Considers climate vulnerability of the stock/species and expected directional effect of climate change from Hare et al (2016).	No change. Use Use CVA 1 (Hare et al). Future: Consider outputs of CVA 2.0.	✔
Fish Condition	Risk: Associated with ecosystem productivity. As fish condition decreases, risk tolerance decreases. Risk Tolerance: ↑ ↓	Considers data from State of the Ecosystem Report. Focus on relative condition of a species as calculated by weight of an individual fish divided by the predicted length specific meat weight in a given region.	Do not use right now (June 2026). Supports for inclusion of ecosystem characterization (EC) as a factor. The EC factor should capture risks related to changes in habitat, current habitat conditions, and trophic relationships that are not addressed in other assessment processes (i.e., stock assessments or climate vulnerability assessments).	✖
Recreational Fishery Characterization	Risk: Socioeconomic health of the recreational fishery. As socioeconomic stress increases, risk tolerance increases Risk Tolerance: ↑	Considers recreational fleet diversity from SOE report, trends in target and secondary target species of the last 5 years, level of percent standard error (PSE) in total catch estimates, and changes in recreational regulations.	Use. Change. Data used to determine score. Consider trends.	✔
Commercial Fishery Characterization	Risk: Socioeconomic health of the commercial fishery. As socioeconomic stress increases, risk tolerance increases Risk Tolerance: ↑	Considers concentration of revenue across ports, market value, possible warning signs, fishery specific questions and 'choke' stock concept.	Use. Change Data used to determine score. Consider trends.	✔

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Mechanics	Information Considered in November.	Working Group Input Last Nov.	Staff Recommendation *Next Steps for RPWG*
Shape of the curve	Issue: The truncated shape of the logistic curve at 50% results in non-intuitive results, with outcomes that are inconsistent with decision making: • Curve is steeper at low Z-scores, results are more responsive to high risk tolerance. • Curve is asymptote at high Z-scores, results are less responsive to low risk tolerance. 	WG generally liked the idea of using the full logistic curve, but did not have the opportunity to work through how changing the curve would effect the translation of a Z-Score to a recommended probability. Full logistic curve option (rec): Other options: 	Needs more exploration. Stand up a technical sub-group to discuss the shape of the curve, consider implications of shapes on risk tolerance. Report back to RPWG with a rec in March. • Jonathon (RPWG) • Lisa (RPWG-SSC) • Jason (RPWG-SSC) • Garth (RPWG-SSC) • Roger (UMaine) • Megan – WG Council • TBD – WG Council
Z-Score Scaling	Low scaling restricts the logistic curve to the linear portion and higher scaling allows access to the asymptote.	Z-scores should be able to access the full range of the logistic curve, rather than being limited to the more linear portion. Additional work to determine the scaling is needed.	Considered by technical sub-group. Finalize initial recommendation in March at full RPWG meeting
Factor Score Ranges & Scaling	Scaling can influence the range of z-scores we can achieve, and some factors have different score ranges. This determines the possible Z-scores and recommended probabilities, and unequal score ranges lead to implicit weightings.	Consider revising the possible score ranges, in concert with revisions to Z-score scaling.	Considered by technical sub-group. Finalize initial recommendation in March at full RPWG meeting