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

Factor	**Goal of Factor** *Intent of the Factor*	**Focus for Scoring** *Data/Focus of initial factor*	**Risk Policy Recommendations** *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 in 2026.	✓
Recruitment	Risk: Future Productivity As recruitment increases, risk tolerance increases. Risk Tolerance: ↑ ↓	Considers recruitment over the last five years.	Use in 2026. Working group recommends proposed changes to how this factor is scored (Quantile-Based). Use five years of data for quantile ranks, full range of scores.	✓
Assessment type and uncertainty	Risk: Stock assessment performance and uncertainties. As assessment uncertainty increases, risk policy decreases. Empirical=less risk tolerance. Risk Tolerance: ↓	Considers assessment type (analytical vs. empirical), retrospective patterns, missing survey data.	Remove and catalogue (June 2026). Revisit later in 2026 and continue to develop this factor for future use. Need to consider changes to stock assessment process and how to handle data updates in Risk Policy. Form a sub-group.	✗
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 in 2026. Use CVA 1 (Hare et al) for scoring. Future: Consider outputs of CVA 2.0 and how to score.	✓
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.	Remove and catalogue (June 2026). Support 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: ↑ (New!)	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 in 2026. Some changes to scoring questions that ask if fleet diversity and angler trips are decreasing (vs. increasing), question in include input from AP.	✓
Commercial Fishery Characterization	Risk: Socioeconomic health of the commercial fishery. As socioeconomic stress increases, risk tolerance increases Risk Tolerance: ↑ (New!)	Considers concentration of revenue across ports, market value, possible warning signs, fishery specific questions and 'choke' stock concept.	Use in 2026. Change scoring questions. Data used to determine scores now focuses on quota usage, fishing community, value (revenue), constraining stocks, and AP input.	✓

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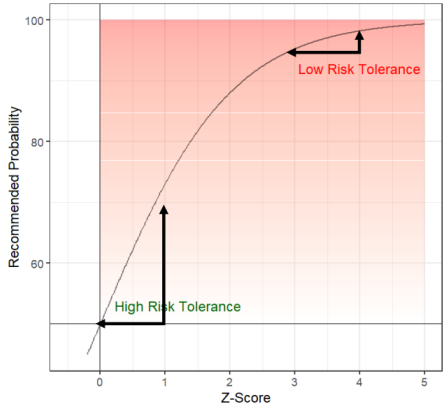
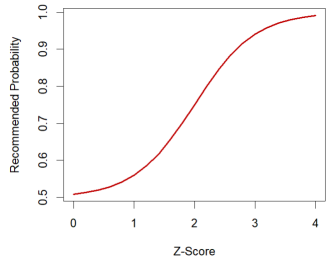
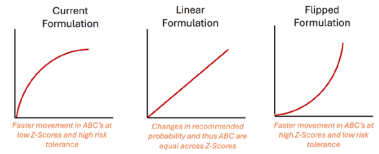
Mechanics	**Information Considered in November.**	**Working Group Input Last Nov.**	**New Technical Working Group** *Next Steps for RPWG*
Shape of the curve	Issue: The truncated shape of the logistic curve at 50% results in non-intuitive results, with outcomes that are inconsistent with decision making: • 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. 	RPWG 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: 	Working group will consider implications of shapes on risk tolerance with simulation. Report back to RPWG with a recommendation 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 movement to the linear part of the current curve. Higher scaling allows access to the full curve, including the asymptote.	RPWG: 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.	Consider appropriate scaling in concert with the shape of the curve. 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.	Consider appropriate score ranges and scaling in concert with the shape of the curve. Initial recommendation in March at full RPWG meeting.

Figure 1 - Revised Factor Scoring Table. This version includes the recommendations to refine the number of factors to five (5) for 2026, and to remove the Stock Assessment / Uncertainty and Fish Condition factors for additional review and possible future inclusion in the Risk Policy.

SSB/Stock Status: No changes from current concept. Two directional risk tolerance.

Recruitment: No changes to the two directional risk tolerance. Revisions to how factor is scored.

Climate Vulnerability No changes from current concept. Influence on total risk tolerance can only range from neutral to lower risk tolerance.

Modified Commercial and Recreational Fishery Factors: Increase risk tolerance in response to signals of stress/negative outlook. Influence on total risk tolerance can only range from neutral to higher risk tolerance.

	← Higher Risk Tolerance						Lower Risk Tolerance →		
FACTOR	-4	-3	-2	-1	0	1	2	3	4
SSB/Stock Status	Well Above SSB Target		Rebuilt		SSB ≥75% but < 100%		< 75% but above Threshold		Overfished
Recruitment	Multiple Large Year Classes		Recent Large Year Class		Average, No Trend		Recent Low Recruitment		Persistent Low Recruitment
Climate Vulnerability					Low	Moderate	Moderate, Negative Direction	High	High Negative Direction
Commercial Fishery Characterization	Negative Outlook		Fishery Signals ⇄		Positive Outlook				
Recreational Fishery Characterization	Negative Outlook		Fishery Signals ⇄		Positive Outlook				

2026 Risk Policy Workplan Details, including upcoming meetings.

	January	February	March	April	May	June
Meetings – Input - Decisions						
RPWG: Confirm Factors w/ goal/intent	Jan 23rd					
NEFMC January	Update					
RPWG: Refining Concept			March 9th			
SSC: Check-in			30th			
NEFMC: Check-in, feedback						
RPWG: Refining Concept, Prepare June					TBD	
NEFMC June: Approval, weightings						Decision
Work – Refinement – Implementation						
Support Factor Development • Scoring and Data • Accessibility • Process		**RPWG members and Implementation Team:** Applegate, Miller, Garrison, Peros, O'Keefe				Approval of Concept document
Refine Risk Policy Mechanics • Shape of Curve • Range of Scores • Scaling		**Risk Policy Mechanics sub-group:** Kerr, McNamee, Lawson, Peros, Ware, Brothers				Approval of Concept document
Prepare for Weightings exercise						Weightings