Risk Policy Working Group – Feedback on DRAFT Terms of Reference

April 10, 2023

Please provide your perspective on the Council's application of the current Risk Policy (how it is being used, strengths/weaknesses, etc).
The current policy is so high-level and qualitative with no statement of risk threshold other than keeping long-term negative impacts on ecosystem function low that its practically more a statement of potential process than any real statement on the Council's risk preference. There has been no consistent procedure for implementing the considerations put forward by the statement leading to lack of transparency, predictability and frustrations and resource drains at all levels from SSC to management to public. Outside of the ABC control rule, aspects of the risk policy are given short shrift (e.g., stability).
Some of the challenges I see with the current risk policy is that the policy is overly broad, both in terms of the language used and its application to all decision points. Weighing the risk of overfishing to net benefits is a fine principle, but it is hard to specifically describe what that means, and I suspect everyone has a different interpretation. Also, words such as "low risk" are not defined. Another primary challenge I see with the current risk policy is that the vision out-paces what staff and resources can support. There is a lot of emphasis on MSEs but that is not practical. In terms of the current application of the risk policy, I personally struggle to find the take-away or value in the risk policy matrices. I read almost every material we are given but I don't spend much time on the risk policy matrices which tells me they aren't serving their intended purpose.
I think the current Risk Policy is appropriate and effective for managing stocks/fisheries where stock status is known (e.g., biological reference points are defined) and the Council has specified risk tolerance (e.g., harvest control rules are implemented). The Risk Policy is less useful for guiding decisions on stocks with unknown status and undefined harvest control rules. While the policy states that the Council weighs "the risk of overfishing relative to the greatest expected overall net benefits to the Nation," the realized applications seldom consider a balanced approach in the face of uncertainty and decisions typically default to reduced catch advice. Although risk-based decision making should include identification of "social, economic, and ecological objectives," the primary focus of the NE Council's implementation has been on conservation objectives. The Risk Policy as currently written or revised could be more directly tied to development of harvest control rules that explicitly address fishery performance objectives, such as stability in yield, long-term sustainability of stocks and fishing opportunities, and flexibility to address short-term uncertainty and variability. The current Risk Policy Roadmap attempted to provide guidance on approaches to better quanitfy risk in the face of uncertainty and recommended the use of MSE. I think the intent of using MSE to evaluate options for management that are robust across multiple potential states of nature, as well as perform well relative to identified objectives is still valid and could inform more explicit risk tolerance guidelines.
The Risk Policy is one of the few mechanisms it seems that the SSC is able to consider socio-economic factors in certain recommendation settings. It has been a helpful frame in that construct to be able to

widen the factors under consideration. If there were other mechanism perhaps its use could evolve as well.
To be honest, I have difficulty clearly recognizing how/when the council's risk policy is used from time to time. The difference between long and short term could be gauged differently by different council members and staff. I think some stakeholders would benefit from a more understandable and formulaic approach to describing risk and how risk is accounted for in the decision making process.
I'm not sure the current policy is being regularly applied, or at least not routinely. Something more prescriptive might be needed.
One of the purposes of the Risk Policy is to make fishery management more transparent, understandable, and predictable. The current Risk Policy and Roadmap have not fully achieved this, and progress could be made on this front. While the Council's Risk Policy applies to a wide range of decisions including management measures, it seems to be considered most often by the SSC in ABC setting. I view the broad applicability as a strength. The open-endedness of the Risk Policy tends to hinder decision-making vs. enhancing it. All stakeholders in the Council process would benefit from more predictability in how Risk Policy is being applied by PDTs, SSC, Council.

Draft TORS

1. Review the Council's current Risk Policy, and Risk Policy Road Map. The review should:
    a. Address the application of the current Risk Policy and how it is used by various groups in the Council process (I.e. SSC, PDT, Council).
    b. Address the perceived strengths and weaknesses of the Current Risk Policy.
    c. Document ABC control rules used in each of the Council's FMPs and existing uncertainty buffers (with rationale) for managed stocks.

Please suggest any edits/additions you have to TOR1 and sub-bullets.
Suggest feedback on public understanding, particularly fishing industry to inform future discussion on consistency and communication. Perhaps could just be added under a by including input from APs. Under c consider documenting any other tools used to explicitly address scientific or management uncertainty (e.g., target and achieved monitoring). Consider two additional sub TORS: e. Document assessment type used in each of the Council's FMPs (e.g., analytic, analytic with rho adjustment, data-poor) or you could assess in terms of Fmsy and whether directly estimated or a proxy, and d. Document stock status and probability of overfishing (if determined) in each of the Council's FMPs.
none
For bullet (c), I think it would be useful to also document how ABC control rules were developed, the rationale for specific control rule choices, and how they performed over time relative to preventing overfishing and maximizing net benefits. For example, the herring control rules were developed through an MSE process, the scallop control rules were developed using a P* approach, and the groundfish control rules were based on a deterministic model assuming equilibrium biomass at a default target of 75% Fmsy. It may be helpful to understand how the Council selected the different approaches and how they have performed over time.
no additions
I think I understand the intent of the TOR's and I agree the RPWG should consider all of these. I am wondering if it would be better to clarify what "address" means in (a) and (b).
NA
In 1a, consider adding a reference to NMFS. There is language in the Road Map about NMFS applying the Council's Risk Policy. Also add text to call out the review of the Risk Policy Roadmap.

2. Based on the review, recommend changes, if necessary, to the Council's Risk Policy. When considering possible changes, the Risk Policy Working Group should consider:

    a. The development of Goals and Objectives for a Risk Policy.
    b. Defining key terms used in the application of a policy, such as risk, and uncertainty.
    c. The scope of the Risk Policy (broadly apply to all Council decisions, or narrowly defined to apply to catch setting, multiple risk policies covering various scenarios).
    d. The factors that should be considered by a Risk Policy, such as environmental change.
    e. Situations and species characteristics where a risk averse approach is or is not warranted.
    f. Whether or not to use a consistent procedure in applying the Risky Policy across fishery management plans and individual stocks.
    g. Outlining how the updated Risk Policy interacts with existing ABC control rules used in each of the Council's FMPs.
    h. Identify the format of the final Risk Policy and how it will be communicated.

Please suggest any edits/additions you have to TOR2.
Re f, do we even have a list of management procedures that have been used or could be? Other than ABC CR, pretty ad-hoc. Policy points to using MSE to evaluate trade-offs, but that isn't done on any regular basis. risk policy is also utilized below ABC for sub-ACL decisions...recreational bioeconomic model for GOM cod and haddock probably one of the few probabilistic matrices used in management decision making and juxtaposed against the qualitative decision making necessary for GB cod stock that lacks an analytical model.
Clarity in what "multiple risk policies covering various scenarios" would be helpful - is this suggesting a risk policy for overfishing vs. setting an ABC (as an example)? For "h", I would just tweak this to say "Identify the format of the final Risk Policy and how best to communicate it to various audiences"
This list is a good starting point, and I don't have any edits/additions ahead of the meeting. Related to bullet (h), I suggest that any revised document that presents the Risk Policy (e.g., updated Roadmap or other format) should include consideration of existing information as directly tied to risk-based decision making (e.g., State of the Ecosystem Report, Fishery Performance Reports, Economic and Social Profiles (ESPs), etc.). I think it would be helpful for the Council process, including the SSC, to start integrating the range of information for more holistic consideration of expectations and potential consequences of decisions.
perhaps stating "such as environmental or social change"
I think these are all good and might actually get at my thoughts on TOR 1.
NA
In 2c, consider changing "scope" to "application" to more directly the process elements of a risk policy vs. what it applies to. Add "Develop examples of applying the Risk Policy to assist with future implementation."

Please share your thoughts and ideas about areas that the working group should focus, and information/research that the group may consider.
There are further documents and information that could be informative for discussions going forward, including: risk policy matrices for each FMP/stock, summary of stocks with probabilistic tables vs. qualitative discussion of relative robustness of measures? (e.g., rec bioeconomic model for GOM stocks vs. decision-making for GB cod), document Fproxies used for FMP/stocks, summary of recent remands to alight on any consistent issues with applying HCR and how may inform revision of risk policy and/or HCRs. Topic-wise: Strategy 3 and stability in decision making. Also potentially reworking risk matrices to more explicitly link back to the risk policy and its strategies (i.e., be more helpful for all user groups and not just SSC re: ABC setting).
Something we may need to address is where does the risk policy process start? In the document which looked at the policies at the different Regional Councils, the process started in a lot of different places (i.e. stock assessment team, PDT, SSC, sub-group, Council).
I hope the group can consider how the Risk Policy can be more directly tied to management. While the current Risk Policy has been useful for some specific issues, it is somewhat abstract and lacks clear guidelines on how/when it can be applied. Similar to my comments for TOR 2, the group may want to consider information from the State of the Ecosystem Report, as well as research related to climate impacts and environmental drivers. Additionally, research related to dynamic reference points and NOAA's procedures for changing stock status dtermination would be useful. I also recommend that the WG consider the full extent of NS1 guidelines to understand where both constraints and flexibilities may exist.
I hope that the group broadly considers the contributions of various disciplines, including those related to organizational behavior and trust in science, etc.
Understanding and possibly describing the council's limitations on risk tolerance, if any, that are a reality based on the fact that NOAA has to approve our decisions. Considering a way to evaluate if uncertainty around information we use to make decisions has increased or decreased over time and if implementation has been more or less effective over time. Totally admitting this stuff is hard for me to get my head around. I'm pretty sure I am overcomplicating things, but a reason a really wanted to be part of this group is to help me understand and hopefully simplify my understanding the councils risk policy. I expect my thoughts and contributions to the review to evolve as we move forward.
The existing policy reports on some possible avenues of research, such as MSEs. The text of the existing policy is a good place to take inspiration.

A thorough review of TOR1 will likely be a good starting point for TOR2. I like the idea of using Goals and Objectives or something similar to guide the development to the Risk Policy. That seems like a reasonable way to address strengths and weaknesses of the current approach. Consider working on TOR1 and 2a in the short-term. Seek out guidance from NOAA General Council as needed (interpreting the M-S Act and National Standard guidance).