

Tab E, No. 6(b)

# Allocation Review Policy and Triggers



October 2018

# Introduction

To assist Councils in reviewing existing fisheries allocations and reallocating resources, NMFS and the Council Coordination Committee developed allocation review guidance including:

- ❖ Fisheries Allocation Review Policy (NMFS Policy Directive 01-119)
- ❖ Procedural directive addressing criteria for initiating allocation reviews (NMFS Procedural Directive 01-119-01)

# Definitions

- ❖ **Fisheries Allocation:** a “direct and deliberate distribution of the opportunity to participate in a fishery among identifiable, discrete user groups or individuals.”
- ❖ **Fisheries Allocation Review:** the evaluation that leads to the decision of whether or not the development and evaluation of allocation options is warranted, but is not, in and of itself, an implicit trigger to consider alternative allocations.
- ❖ **Evaluation of Fisheries Allocation Options for an FMP Amendment:** If the allocation review determines a reallocation is warranted then the full analysis and evaluation of allocation options should be initiated. The goal is an FMP amendment (or framework action) to update the allocation or maintain status quo.

# Fisheries Allocation Review Policy

- ❖ Fisheries Allocation Review Policy recommends the use of **adaptive management** for allocation reviews.
- ❖ **Adaptive management**: the on-going process of evaluating if management objectives have been met and adjusting management strategies in response.
- ❖ Process includes periodical re-evaluation and updating of the **management goals and objectives** to ensure they are relevant to current conditions and needs.

**Existing Allocation**

**Review Triggers**

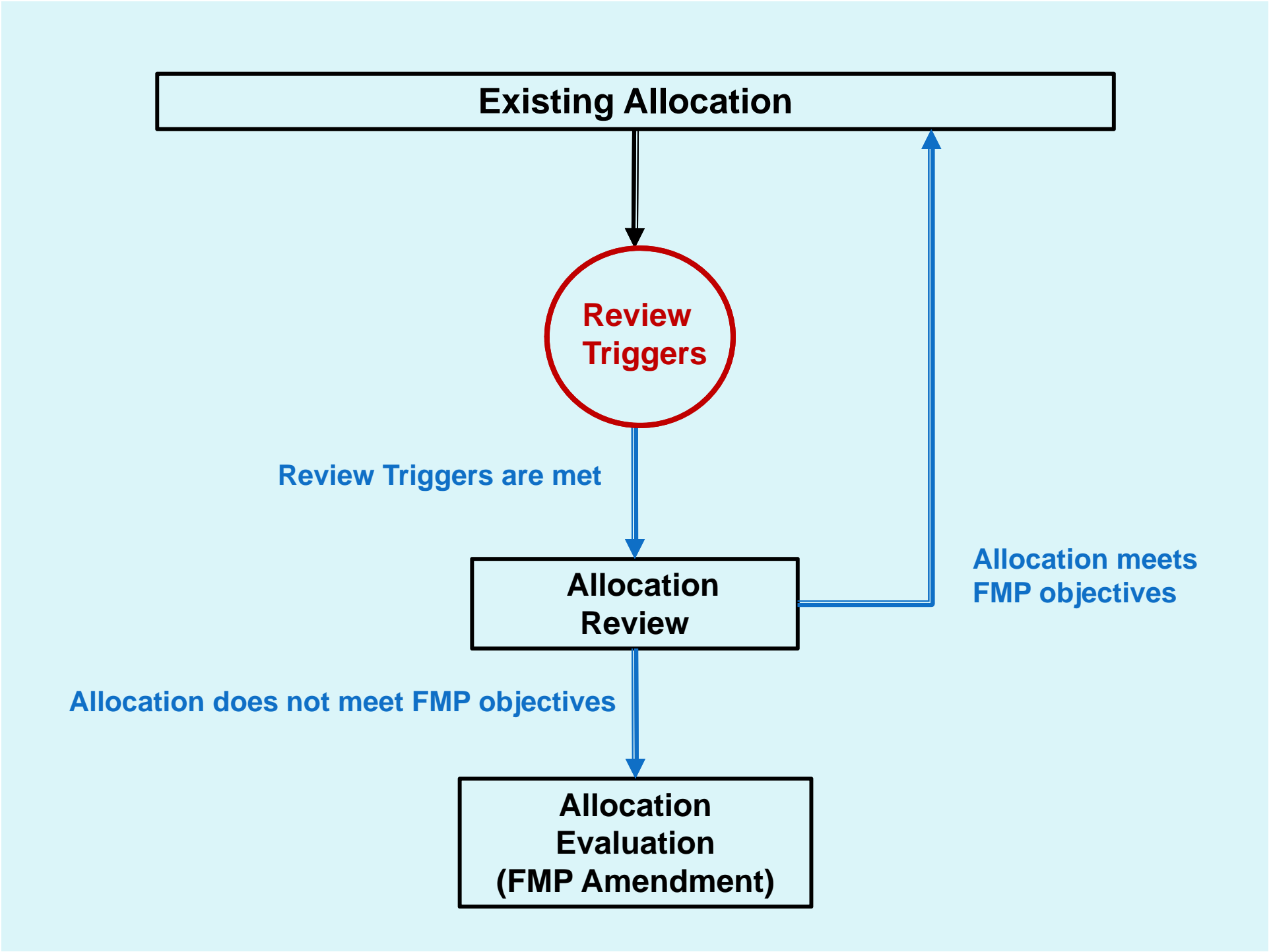
Review Triggers are met

**Allocation Review**

Allocation meets FMP objectives

Allocation does not meet FMP objectives

**Allocation Evaluation (FMP Amendment)**



# Fisheries Allocation Review Policy

Council is responsible for establishing **review triggers** (selecting the criteria for initiating fisheries allocations reviews)

**Triggers** suggested include **time-based**, **public interest-based** and, **indicator-based** criteria.

For indicator-based criteria, Council must also lay out the process to assess whether the trigger is met.

Council should identify allocation review triggers by **August 2019** or as soon as practicable.

# Allocation Review Triggers

Review triggers: criteria for initiating allocation reviews

Policy considers 3 types of triggers:

- ❖ public interest-based triggers;
- ❖ time-based triggers; and
- ❖ indicator-based triggers

# Public Interest-based Criteria

Council management system is transparent and open to public input throughout the process

Public input on fishery allocation review would feed into the process.

Guidance on public interest at three different levels within the regional fishery management council process:

- ❖ Ongoing public input on fishery performance
- ❖ Solicitation of public comment regarding allocation review
- ❖ Formal initiatives



# Public Interest-based Criteria: Ongoing Public Input on Fisheries Performance

- ❖ Council process offers frequent opportunities for public comment and input
- ❖ Feedback loop between the Council and the public for specific issues under the Council's consideration.
- ❖ Public interest in allocation review is likely to be expressed at many points within the council process

# Public Interest-based Criteria: Solicitation of Public Comment Regarding Allocation Review

- ❖ Deliberate and specifically targets public input on the need for allocation review
- ❖ Council has the ability to dictate the schedule but should be aware of the expectations among stakeholders
- ❖ Council should carefully consider its ability (resources and capacity) and willingness to follow through with an allocation review before reaching out to the community for focused input.

# Public Interest-based Criteria: Formal initiatives

- ❖ Stronger public interest review mechanism could be a stakeholder request or petition requesting review,
- ❖ Petition would require the Council to initiate an allocation review within a reasonable period of time
- ❖ Council should establish guidelines for petitions

# Time-based Criteria

- ❖ Periodic allocation review on a set schedule is the most straightforward and simplest criterion
- ❖ the approach is less vulnerable to political and Council dynamics.
- ❖ Mandates of a strict schedule render time-based criteria less sensitive to other Council priorities
- ❖ Most suitable for fisheries where the conflict among sectors or stakeholders make the decision to initiate a review so contentious that use of alternative criteria is infeasible

# Indicator-based Criteria

MSA requires that fisheries be managed for Optimum Yield (OY), which is Maximum Sustainable Yield (MSY) as reduced by relevant social, economic and ecological factors

- ❖ Indicator-based criteria to consider as triggers for initiating review of allocations may stem from the definition of OY: social, economic and ecological.
- ❖ When using indicator-based criteria as a trigger for allocation review, the use of several criteria, singly or in combination, and across multiple categories, may be optimal
- ❖ Council must establish a process to track the performance of the indicator(s) selected

# Indicator-based Criteria

**Economic Criteria:** Multiple tools, e.g., cost-benefit analysis, economic impact analysis, efficiency analysis. Public understanding of the differences between and proper use of these tools is often limited

**Social Criteria:** Studies have been published detailing the development and measurement of social metrics such as community resilience, vulnerability and well-being. Councils may choose to select several indices among the above categories Social and economic impacts are often linked.

**Ecological Criteria:** Changes in fishery status resulting from a stock assessment, increases in discards, and changes in species distribution and food web dynamics are all examples of factors that may influence an allocation review.

# Fisheries Allocations in the Gulf of Mexico

The Council has apportioned (or is considering the allocation of) fisheries resources between various groups, including allocations:

- ❖ between the commercial and recreational sectors
- ❖ within the recreational sector, i.e., between the federal for-hire and the private angling components;
- ❖ between Gulf zones and gear types;
- ❖ between the Gulf and South Atlantic Councils; and,
- ❖ between the five states in the Gulf of Mexico.

## Gulf of Mexico Fisheries Allocations between Sectors

Stock	Allocation (%)		Amendment (year of implementation)
	Commercial	Recreational	
Red Snapper	51%	49%	Reef Fish 1 (1989)
Gag	39%	61%	Reef Fish 30B (2008)
Red grouper	76%	24%	Reef Fish 30B (2008)
SWG IFQ	77%	23% *	Generic ACL/AM (2012)
DWG IFQ	96.4%	3.6% *	Generic ACL/AM (2012)
Tilefish IFQ	99.7%	0.3% *	Generic ACL/AM (2012)
Gray triggerfish	21%	79%	Reef Fish 30A (2008)
Greater amberjack	27%	73%	Reef Fish 30A (2008)
King mackerel	32%	68%	CMP 2 (1987)



# Fisheries Allocations in the Gulf of Mexico

## Allocation within the recreational sector:

- ❖ 42.3% and 57.7% of the recreational **red snapper** ACL to the federal for-hire and private angling components, respectively

## Allocations between the Gulf and South Atlantic:

- ❖ 47% of the **black grouper** ABC to the South Atlantic and 53% to the Gulf of Mexico;
- ❖ 75% of the **yellowtail snapper** ABC to the South Atlantic and 25% to the Gulf of Mexico; and,
- ❖ 82% of the **mutton snapper** ABC to the South Atlantic and 18% to the Gulf of Mexico.

# Fisheries Allocations in the Gulf of Mexico

## Allocation of Gulf group King mackerel between Gulf zones and gear types (CMP 26):

- ❖ 40% for the Western Zone;
- ❖ 18% for the Northern Zone;
- ❖ 21% for the Southern Zone (Handline component); and
- ❖ 21% for the Southern Zone (Gillnet component).

# Allocations subject to the Review Policy

- ❖ In collaboration with NMFS, **identify Gulf allocations** subject to the allocation review policy.
- ❖ Fisheries Allocation: a “direct and deliberate distribution of the opportunity to participate in a fishery among identifiable, discrete user groups or individuals.”
- ❖ Based on this definition, all of the allocations presented would be subject to the review policy

# Selection of Review Triggers

In selecting triggers or sets of triggers for Gulf allocations, note that triggers are not mutually exclusive. Council could select single trigger or combination of triggers

Gulf fisheries allocations subject to the policy include:

- ❖ LAPP Stocks or stock complexes: managed under IFQ
- ❖ Non-LAPP stocks

# Selection of Review Triggers

**LAPP stocks:** red snapper (RS IFQ program) and red grouper, gag, SWG , DWG, and tilefish IFQ aggregates (GT IFQ program)

MSA requires IFQ programs be reviewed 5 years after implementation and thereafter every 5 to 7 years

Time-based triggers would be the most practicable triggers for LAPP fisheries.

Allocation reviews would be included in the regularly scheduled IFQ program reviews.

# Selection of Review Triggers

**Non-LAPP allocations:** greater amberjack, gray triggerfish, Gulf group King mackerel, black grouper, yellowtail snapper,

- ❖ Time-based
- ❖ Public interest-based
- ❖ Indicator-based
- ❖ Single trigger or combination of triggers

# Selection of Review Triggers

- ❖ **Time-based criteria:** most straightforward
- ❖ **Public interest-based:** trigger a review whenever the public requests one. Council's usual comment process could serve as secondary trigger
- ❖ **Indicator-based:** most burdensome. Require the selection of indicators, the establishment of a tracking process, and thresholds. Indicator-based triggers would result in a more onerous process than the allocation review

# Selection of Review Triggers

- ❖ Combinations including indicator-based triggers would be at least as burdensome as selecting indicator-based criteria alone
- ❖ Suggested combination: Time-based and public interest-based
- ❖ Time-based as primary trigger and Council's public comment process as secondary trigger: would allow the flexibility to plan reviews without the obligation to initiate a review every time a public interest request is made



**Thank you**