## A Conceptual Approach for NPFMC IRA Funding<sup>1</sup>

Council Staff - 10/7/2023

The North Pacific Fishery Management Council (NPFMC) will receive \$375,000 of Inflation Reduction Act (IRA) funding and will compete for a share of the \$17 million available to the 8 regional councils. The Council proposal for competitive funds would be a comprehensive, multi-year (2024-2027) proposal, shooting for an amount that is in alignment with the NPFMC standard share of the overall annual grant to the Councils (thus  $\sim$  \$3 million). The final amount of IRA funds requested would be determined when we put together a budget of estimated costs for each component of the proposal.

The \$375,000, which is expected to be distributed sometime this fall, will be used as initial funds for hiring a climate ready fishery analyst as soon as possible. Additional funds for this position will come from the multi-year competitive proposal. The fishery analyst will be a 4-year temporary position (through 2027), with the primary tasks being to be the lead staff person on climate resilience related activities (meetings, reports, workshops) and documents (proposals, discussion papers, NEPA analyses), with assistance from other staff and contractors as needed.

NMFS has provided the Regional Fishery Management Councils with the following guidance regarding IRA proposal development. Based on preliminary direction from NMFS, funds must be used before the end of 2027, and proposals must focus on fishery management and governance topics, with two overarching goals:

- 1. Implementation of fishery management measures necessary to advance climate ready fisheries by improving climate resiliency and responsiveness to climate impacts; and
- 2. Development and advancement of climate related fisheries management planning and implementation efforts in support of underserved communities.

Additionally, NMFS has identified the following updated priorities the Councils could support through IRA funding:

- Operationalizing fish climate vulnerability assessments or other scientific products (e.g., ecosystem status reports, Integrated Ecosystem Assessments, etc.);
- Operationalizing recommendations from climate scenario planning efforts;
- Developing and implementing management changes or processes that address climate vulnerability or improve climate resiliency of fisheries (e.g., potential revisions to harvest control rules to account for changes in ecosystems related to climate change), including those that are important to underserved communities;
- Developing and implementing measures or processes that increase responsiveness of allocations or other management measures to climate impacts (e.g., "frameworking" or establishing predetermined thresholds when management changes occur);
- Developing and advancing climate-related fisheries management planning (e.g., conducting climate scenario planning) and implementation efforts, including those in support of underserved communities.

<sup>&</sup>lt;sup>1</sup>In an effort to provide for focused discussion and public comment on IRA funding during the Staff Tasking Agenda Item E-1 in October 2023, Council staff, in consultation with NMFS staff, prepared this paper as a potential conceptual approach, which flows directly from the <u>staff paper</u> on IRA funding presented in Agenda Item B-1, and incorporates the <u>SSC recommendations</u> on IRA funding and input from <u>public comment</u> and testimony to date.

Given these goals and objectives, the competitive proposal could be focused around development of the Programmatic Environmental Impact Statement (PEIS), as <a href="recommended">recommended</a> by the Council in June 2023, and the development of subsequent analyses to implement the tools to achieve the climate resilience goals that get adopted through the PEIS. The PEIS provides a cohesive and comprehensive vehicle to meet and achieve these overarching goals and objectives of the IRA. The PEIS also provides a robust process for engaging the public and Alaska tribes in a meaningful way to help the Council shift the paradigm to climate informed management to create climate resilient fisheries and fishing communities for all Council managed fisheries.

The current proposed PEIS alternative to the status quo includes three distinct potential actions: 1) A new adaptive ecosystem-based management policy and objectives, 2) expanded and refined opportunities to incorporate local and Traditional Knowledge, and 3) new tools to adapt to risk in the face of uncertainty due to climate driven marine ecosystem changes. Each of these potential actions would be explored in the PEIS, such that the different approaches to policies, knowledge pathways, and management tools would be considered.

A PEIS analysis would evaluate the relative strengths and weaknesses of the status quo management and governance of fisheries under the Council's jurisdiction in terms of whether the status quo management strategies are effective at providing climate resilient fisheries and fishing communities. A PEIS would also evaluate the pathways to operationalize the recent work from the Council's Scientific and Statistical Committee (SSC), Climate Change Task Force (CCTF), and advancements in climate science from the NMFS Alaska Fisheries Science Center (AFSC). Based on the results of this evaluation, the Council intends to develop comprehensive new policies and objectives implemented in its FMPs to meet the overall climate resilient goal, and to identify operational tools to achieve this goal in a comprehensive and strategic way.

The process of developing the PEIS may be guided by the work of the LKTKS Taskforce including its Protocol and onramp recommendations (pending Council action in October), and the final PEIS may further identify or refine detailed procedures for incorporating Local Knowledge and Traditional Knowledge beyond the Bering Sea region or within more specific components of the Council's process. The PEIS can also highlight and address communication and outreach needs in the Council process as relates to climate readiness, integration of science and management, and providing adequate engagement with diverse stakeholders and Tribal entities. Although the PEIS would also describe and provide an overarching strategy of potential management tools that could provide for additional climate resilience, building on the work of the CCTF (in particular the outcomes of the CCTF Climate Scenario Planning workshops in 2024) and SSC workshop discussions, follow up MSA and NEPA analysis will be needed to implement these tools in our FMPs. At final action on the PEIS, the Council would decide which management measures ('tools') should be further evaluated in a subsequent amendment analysis for possible implementation.

Numerous management tools have already been discussed by the SSC, including changes to harvest control rules, risk tables and reference points, sub-OY limits, operationalizing climate variability assessments, dynamic conservation areas, and other tools. In October, the SSC did not prioritize among the many project ideas, but highlighted the following:

- review and revision of harvest control rules & consideration of dynamic reference points
- review and revision of the Tier system

- re-examination of closure areas and how they could be more dynamic if needed
- how to make the TAC setting process more flexible
- metrics needed to modify (add or remove) FMP species as species distributions continue to change.

While the PEIS will provide a strategic evaluation of how these different tools can add climate resilience to the Council's adaptive management framework, the Council and SSC will be able to further identify their interest in specific tools where analytical work will help to prepare for a Council discussion of management changes. These discussions will be informed by the results of the 2024 SSC workshop, 2024 CCTF Climate Scenario workshops, NPFMC information and case studies prepared in advance of SCS8, and the national discussion and advice that results from SCS8. Full evaluation of these tools will likely require contractual assistance, and will also leverage partnerships at the AFSC with ACLIM and CEFI projects that are also being supported through IRA funding. Some baseline project work, for example analyzing how the groundfish and crab tier systems and stock assessment process currently addresses climate, could begin while the PEIS is being developed. Close coordination with the AFSC and AKRO will be required throughout.

Absent a comprehensive analysis in a PEIS, it will be difficult to communicate that we are advancing climate informed fishery management. While the Council can continue a piecemeal approach to individual projects, the strategic planning and communication as part of the PEIS weaves the climate and fishery management advancements in the North Pacific together and demonstrates how individual actions fit in a larger policy, goals, and objectives framework for creating climate resilient fisheries or fishing communities. With this approach, which includes both strategic direction and operational implementation, the Council will have transformed its fisheries management into a climate-ready fisheries program.

The timeline for these actions could be as follows:

- 2024 Council workshops (SSC, CCTF) to scope out Council priorities regarding potential tools and opportunities related to harvest control rules and climate readiness
  - Analyst prepares workplan and preliminary drafting of PEIS; Council provides feedback.
  - Contract work begins to prepare baseline analytical work on identified tactical projects
- 2025 Council reviews formal draft EIS and takes final action on FMP amendments for management policies and objective revisions, and including identification of management changes ('tools') that may be needed. Analysis of these tools.
- 2026 Council reviews analyses to implement the additional management changes, and takes final action.
- 2027 Further FMP and regulatory changes are implemented.

This proposed framework approach clearly meets the stated NMFS requirements for council proposals:

- ✓ Rather than funding single activities (e.g., a workshop), it is preferable to bundle related activities under one comprehensive proposal. Proposals may span multiple years.
- ✓ Actions must be completely implemented or in the final phases of approval by 2027.
- ✓ Actions using IRA funds must be able to be sustained with no additional post-IRA funds.
- ✓ High priority consideration will be given to actions that leverage existing tools, actions that will be completed within 3 years, and cross-council projects and initiatives (where relevant).