

NPRAG Advice to NORMAC 68 on Draft Report – ITQ Options Cost Benefit Analysis

- 1) The RAG was concerned that the methods employed in the CBA model do not (fully) capture benefits of Optimised Status Quo (but noted the decision to reduce the 15% predicted benefit to 5% given fleet efficiency gains post-SAP in order to allow for this).
- 2) The RAG considered that the assumptions of banana dynamic (i.e. fleet behaviour/ quota trading/ price premium) is not certain (and noted that some premium is being achieved under all scenarios).
- 3) The RAG considered that it is very likely that there will be an efficiency gain for the fleet in the banana fishery.
- 4) The RAG considered that there is certainty of an efficiency gain for the fleet in the tiger fishery, but believe it will be a very small gain.
- 5) In summary, the RAG considers that efficiency gains could occur for the NPF, but unknowns that may affect the suggested gains remain a concern, e.g.:
 - Management arrangements (e.g. season and or closure restrictions (i.e. continuation of some form of effort controls))/ and associated management costs (e.g. % observer coverage) could undermine potential benefits;
 - Individual vessels not acting as the per fleet projection (uncontrollable factors);
 - The RAG considers the change from TAE management to TAC management a high-risk move with no guarantee of benefits.