



MAKING THE MSC STANDARD MORE EFFICIENT

Impact Assessment Report

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The views and opinions expressed in this report do not necessarily reflect the official policy or position of the Marine Stewardship Council. This is a working paper, it represents work in progress and is part of ongoing policy development. The language used in draft scoring requirements is intended to be illustrative only, and may undergo considerable refinement in later stages.

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Impact Assessment Framework

The aim of impact assessment is to provide clear information on the impacts of the options developed to sort out the policy issues identified in the project inception. It serves as a basis for comparing options against one another and against the business-as-usual scenario, and identify a preferred option if possible. It does not replace decision-making but is used as a tool to support the decision-making process and underpin evidenced based decision-making; increasing transparency, making trade-offs visible and reducing bias.

Impact assessment should help to:

- Specify how proposed options will tackle the identified issues and meet objectives
- Identify direct and indirect impacts, and how they occur
- Assess impacts in both qualitative and quantitative terms.
- Help find perverse or unintended consequences before they occur.
- Where possible, make risks and uncertainties known.

This is achieved by following MSC's Impact Assessment Framework that outlines when and how to undertake Impact Assessment. This ensures an efficient, systematic and consistent approach to policy development to underpin a responsive, robust and credible program. In particular, the Impact Assessment Framework defines the different types of impact (see below) and a suite of methodologies best suited to assessing each type.

The impact types used in the Impact Assessment are defined as follows:

1. **Effectiveness:** The extent to which the change is deemed likely to be successful in producing the desired results and resolving the issue(s) originally identified.
2. **Acceptability:** The extent that the change is considered tolerable or allowable, such that the MSC program is perceived as credible and legitimate by stakeholders.
3. **Feasibility:** The practicality of a proposed change and the extent to which a change is likely to be successfully implemented by fisheries within a given setting and time period.
4. **Accessibility & Retention:** The extent to which the change affects the ability of fisheries (both currently certified and those potentially entering assessment in the future) to achieve and maintain certification (i.e. changes in scores, conditions and pass rates).
5. **Simplification:** The extent to which the change simplifies and does not further complicate the Standard such that it can be easily and consistently understood and applied.
6. **Auditability:** The extent to which the change can objectively be assessed by Conformity Assessment Bodies (CABs) and Accreditation Services International (ASI) to determine whether the specified requirements are fulfilled, and CABs can provide scores.

The Impact Assessment report presents the results of this process, whereby each of the options for proposed changes to the Fisheries Standard are tested to understand their potential effects across the six defined impact types.

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1. Problem statement

The structure of the Fisheries Standard and the scoring system within it is complex. There is a risk that this complexity may cause inconsistent application of the Standard, lead to lengthy and costly assessments, or less transparent assessments. Perception that the process and Standard are overly complicated may deter new fisheries from entering the program.

The review phase for this project includes 2 workshops with CABs, ASI, and assessors as well as a consultant report, *Exploring alternative structures to the MSC Fisheries Standard and scoring approaches* (Inmara 2019) to identify the root causes of complexity and prioritise areas to be simplified while maintaining intent – i.e. with the same level of sustainability performance.

Root causes of inefficiencies are (1) unclear language, (2) duplication in both normative text and guidance, (3) management requirements in outcome PIs, (4) redundancy in and across Performance Indicators, as well as (5) PIs and SIs that may not affect the outcome of assessments - correlated, invariant, or unlikely to trigger conditions. Principle 2 was identified as the Principle with the most inefficiencies.

2. Objectives

The objective of this project is to systematically address the root causes of inefficiency identified above with a focus on Principle 2.

These fall roughly into 3 overarching topics:

Topic 1 - Clarify existing language and reduce duplication in the Fisheries Standard and Guidance.

Topic 2 – Streamline the assessment of management arrangements in P2.

Topic 3 - Simplify Grouping of P2 elements (e.g., species).

3. Options and Impacts

During the review phase of the FSR Principle 2 was identified as the principle with the highest level of complexity and prioritised for this FSR. Options for simplification varied from medium to major high impact and were designed to address the root causes of the inefficiencies listed above.

Without intervention the complexity and inefficiencies not only remain but have the potential to be exacerbated by outcomes of the FSR. Major high impact projects within this FSR will add scoring issues, change existing requirements, add new ones, as well as alter the guidance.

Below, a summary of each proposed option is presented followed by a summary of the impact assessment results. Dependant on the outcome of the impact assessment, options were either taken forward (sometimes modified and taken forward) to pilot testing or discarded.

3.1. Clarification revision options

Unclear language and duplication were addressed through a review by the project lead and an editorial reviewer. Example changes:

- Unnecessary language removed from PIs, including examples that are better placed in guidance. These address root causes 1 & 2 above.

b Management strategy evaluation			
Guide post	The measures are considered likely to work, based on plausible argument [e.g. general experience, theory or comparison with similar fisheries/species].	There is some objective basis for confidence that the measures/partial strategy will work, based on some information directly about the fishery and/or species involved.	Testing supports high confidence that the partial strategy/strategy will work, based on information directly about the fishery and/or species involved.
Met?	(Y/N)	(Y/N)	(Y/N)
Justification	[Note: Insert as much text as required to justify the SG level achieved for this scoring issue]		

- The term 'regular review' in scoring issue PI 1.2.1.f, PI 2.1.2.e and PI 2.2.2.e is defined in the normative requirements as 5 years and mentioned in multiple places in the guidance as 5 years so the PI text has been updated to explicitly say 5 years.

e Review of alternative measures			
Guide post	There is a review of the potential effectiveness and practicality of alternative measures to minimise UoA-related mortality of unwanted catch of main primary species.	There is a regular review at least every 5 years of the potential effectiveness and practicality of alternative measures to minimise UoA-related mortality of unwanted catch of main primary species, and they are implemented as appropriate.	There is a biennial review every 2 years of the potential effectiveness and practicality of alternative measures to minimise UoA-related mortality of unwanted catch of all primary species, and they are implemented, as appropriate.
Met?	(Y/N/Not relevant)	(Y/N/Not relevant)	(Y/N/Not relevant)

3.2. P2 species management PI revision options

3.2.1. Alternative measures for unwanted catch

The impact of removing PI 2.1.2 and PI 2.2.2 SI.e and instead considering it as part of the management arrangements definitions (measures, partial strategy and strategy), as suggested by the consultant report mentioned above.

Consultant work identified 49 conditions on PIs 2.1.2 and 2.2.2; 19 of which discussed alternative measures. The consultant failed to find any clear overlap or redundancy in conditions on SI.e and on other SIs. Decision was BAU (retain SI.e).

3.2.2. Management language in P2 species outcome PIs

The second part PI 2.1.1 and 2.2.1 SI.a that is scored when a stock is below the PRI talks about a 'demonstrably effective strategy between all MSC UoAs'. It's proposed to move this language to the management PIs since the language is on management requirements and not outcome requirements. This requirement also requires the team to assess cumulative impacts for all 'MSC UoAs', also referred to as cumulative impacts.

Figures below show the revised text in PI 2.1.1.a and PI 2.1.2.a.

Table SA1: PI 2.1.1 in scope species outcome PISGs

Component	PI	Scoring Issues	SG60	SG80	SG100
In scope species	<p>Outcome Status</p> <p>2.1.1</p> <p>The UoA aims to maintain in scope species above the point where recruitment would be impaired (PRI) and does not hinder recovery of in scope species if they are below the</p>	(a) Main in scope species stock status	<p>Main in scope species are likely to be above the PRI.</p> <p>OR</p> <p>If the species is below the PRI, it is likely that the UoA does not hinder recovery and rebuilding.</p>	<p>Main in scope species are highly likely to be above the PRI.</p> <p>OR</p> <p>If the species is below the PRI, there is evidence of recovery or it is highly likely that the UoA does not hinder recovery and rebuilding.</p>	<p>There is a high degree of certainty that main in scope species are fluctuating around a level consistent with MSY.</p>

Table SA2: PI 2.1.2 in scope species management strategy PISGs

Component	PI	Scoring Issues	SG60	SG80	SG100
In scope species	<p>Management strategy</p> <p>2.1.2</p> <p>There is a strategy in place that is designed to maintain or to not hinder rebuilding of in scope species; and the UoA regularly reviews and implements measures, as appropriate, to minimise the mortality of unwanted catch.</p>	(a) Management strategy in place	<p>There are measures in place for the UoA, if necessary, that are expected to maintain or to not hinder rebuilding of the main in scope species at/to the in scope species outcome SG60 level.</p>	<p>There is a partial strategy in place for the UoA, if necessary, that is expected to maintain or to not hinder rebuilding of the main in scope species at/to the in scope species outcome SG80 level.</p> <p>OR</p> <p>Where in scope species outcome fails to meet the SG80, a demonstrably effective strategy is in place between all MSC UoAs which categorise this species as in scope to ensure that they collectively do not hinder recovery and rebuilding.</p>	<p>There is a strategy in place for the UoA for managing main and minor in scope species at the in scope species outcome SG80 level.</p>

A consultant searched the rationales for all PCRs on v2.0 and couldn't identify any text that suggested that a 'demonstrably effective strategy between all MSC UoAs' was triggered. The decision was to proceed with the proposed revision to move SI text on cumulative impacts to Management PIs.

3.2.3. P2 management PIs SI.c

Internal analysis identified SI.c was found to be invariant in the default assessment tree v2.0, with only 1 fishery earning a condition on this scoring issue (also earning a score <80 on both SI.a and SI.b). Proposed revision is to remove this SI and reword SI.b.

(b) Management strategy evaluation	The measures are considered likely to work, based on plausible argument (e.g., general experience, theory or comparison with similar UoAs/ species).	There is some objective basis for confidence that the measures/ partial strategy will work, based on some information directly about the UoA and/or species involved.	Testing supports high confidence that the partial strategy/ strategy will work, based on information directly about the UoA and/or species involved.
(c) Management strategy implementation		There is some evidence that the measures/ partial strategy is being implemented successfully.	There is clear evidence that the partial strategy/ strategy is being implemented successfully and is achieving its overall objective as set out in scoring issue (a).

(b) Management strategy effectiveness	The measures are considered likely to work for the main in scope species, based on plausible argument.	There is some evidence that the measures/ partial strategy is achieving the objectives for main in scope species set out in scoring issue (a), based on some information directly about the UoA and/or species involved.	There is clear evidence that the partial strategy/ strategy is achieving the objectives set out in scoring issue (a), based on information directly about the UoA and/or species involved.
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3.2.4. Summary of Impacts

An assessor used the updated PI tables with the revisions from this section to rescore 5 UoCs, assuming all else to be the same. There were no material differences in outcomes. One fishery, Canada lobster, had a condition moved from the Outcome PI to Management PI (2.1.1 to 2.1.2), consistent with the change made in 3.2.2.

Impact Type	
Effectiveness	The revisions were effective at reducing the amount of text and improving clarity.

Acceptability	The changes are likely acceptable to fisheries and CABs and wider stakeholders.
Feasibility	x
Accessibility and retention	x
Simplification	Simplifies language
Auditability	x

3.3. Removal of Secondary Species component

3.3.1. Revision option

The removal of Secondary Species component. In this revision all OOS will be scored in the ETP/OOS component, and all in-scope species (fish and inverts) will be scored in Primary Species. This reduces the number of scoring issues scored by assessors by 11. Once OOS species is removed from the Secondary component it leaves only in-scope species where the difference between Primary and Secondary are the probabilities in SI.a and the management objective. This is defined as the BBL in secondary, in which the definitions states that for many fish species this will be equivalent to the PRI. If the BBL = PRI there is no difference in the outcome requirements for Primary and Secondary. Further, the probability thresholds in Table SA9 are not distinguishable in practice.

Table SA8: Principle 2 Phrases

Term	Definition and discussion
Biologically based limits	<p>There is a benchmark against which status of a component can be evaluated, and the benchmark is chosen to provide a high probability of persistence of the species over time.</p> <p>For many fish species this will be equivalent to the point below which recruitment may be impaired (PRI). For others (e.g., out of scope species) this should have the same general intent but alternatives such as minimum viable population size (MVP), Potential Biological Removal (PBR) or other metrics which help determine the sustainability of a population, may be used.</p> <p>The benchmark should be derived from biological information that is relevant to the ecosystem feature and UoA, although the information does not necessarily have to come from the specific area.</p>

The probability thresholds in Table SA9:

PI 2.1.1	Likely = > 70th %ile	Highly likely = > 80th %ile	High degree of certainty = > 90th %ile
PI 2.2.1	Likely = > 60th %ile	Highly likely = > 70th %ile	High degree of certainty = > 80th %ile

3.3.2. Summary of impacts

A Scoring sensitivity analysis on the removal of the Secondary Species component took a worst-case-scenario approach in which the lowest score from Primary or Secondary was used to calculate the overall P2 score when there are 4 P2 components instead of 5. There were 41 UoCs from 41 different fisheries and on average the overall P2 score dropped by 0.9 but both increases and decreases in the overall P2 score were observed (range -3.9 to + 1). Three UoCs scored less than 80 (between 78.3-79.6).

4. Pilot Testing

Three rounds of pilot testing were conducted, the first round on proposed revisions exclusive to the Efficiency project, the second round for cumulative impacts of Efficiency revisions combined with those of other projects, and the third round of pilot testing was targeted to the proposed removal of the Secondary species component.

4.1. Pilot testing only Efficiency revisions

4.1.1. Revision options

Efficiency revisions for pilot testing **Round 1** were:

- Removal of main and minor testing a flat 5% and 2% threshold for cut-off,
- Introduction of a Management arrangements table to guidance,
- Movement of management arrangements text on cumulative impacts from PIs 2.1.1.a and 2.2.1.a to PIs 2.1.2.a and 2.2.2.a (from Decision 1)
- Changes to text in PIs 2.1.2 and 2.2.2 SI.b and removal of SI.c

4.1.2. Summary of Impacts

Feedback on revision option 1 identified too much uncertainty with a concern for losing assessment of vulnerable species at a 5% cut-off and adding a significant number of species (and the potential to add significant time to assessments in the likelihood that these are unmanaged, and the RBF needs to be used, and this time would outweigh the any efficiency gained by removing the current complex cut-offs).

Outcomes for revision 2 and 3 did not appear to change the current sustainability bar or have unintended consequences. However, clarity on using the table when only some parts of a management arrangement are met, and others was requested.

Feedback on revision 4 was mixed, while some assessors said that the change of wording did not change the intent others thought it created a gap.

4.1.3. Decisions and next steps

Based on the above the decisions were to maintain BAU for the main/minor thresholds; move forward with the proposed management arrangements table; and move forward with moving cumulative impacts from all MSC UoAs from PI 2.1.1 and PI 2.2.1 SI.a to PIs 2.1.2 and 2.2.2.

For the fourth option, the scoring database was used to assess the impact of removing SI.c from PIs 2.1.2 and 2.2.2 on fisheries certified against Annex SA. Only 7 UoCs had a condition on PI 2.1.1. SI.c and all were from the same fishery. Since the SI is correlated with the outcomes of other management SIs and is unlikely to trigger a condition the decision was to retain the revision option as proposed.

Decision 2 – Maintain BAU for main/minor thresholds; move forward with the proposed management arrangements table, move forward with management requirement from PI 2.1.1 and PI 2.2.1 SI.a

As a result of feedback on revision 4 and for consistency with the ETP Management PI the language for SI.b has been updated for the Cumulative Pilot testing to match the language used in PI 2.3.2.

4.2. Cumulative pilot testing

4.2.1. Revision options

Primary and Secondary components as they currently exist were removed and replaced by a single component (PIs 2.1.1-2.1.3) for scoring in-scope P2 species.

4.2.2. Summary of impacts

Most prominently assessors asked for a new name for the Primary species component which we propose to be 'In-scope species'. Feedback requested clarification on the scoring element approach for minor species, although this has not changed. It also sought information on the RBF, in particular which scoring spreadsheet should be used for the new 'In-scope' PI 2.1.1. This is because the PSA score is currently calculated with slightly less precaution for Secondary species than for Primary species. Out of 158 fisheries 1 has used the RBF in PI 2.1.1 and 27 have used the RBF in PIP 2.2.2. Since the intent of this project is not to raise the bar, we proposed to keep the current Secondary calculation.

Some assessors raised concerns with how combining species into a single component would impact highly diverse fisheries like bottom trawls. A limitation of the pilot testing case study fisheries is that it did not include trawls nor marine gillnet fisheries. (Gear types tested were gillnet in freshwater, trap, longline and dredge).

4.2.3. Decisions and next steps

Further targeted pilot testing on the removal of the Secondary Species component (see 4.3 below)

4.3. Targeted pilot testing the removal of Secondary Species component

4.3.1. Revision options

This targeted pilot testing focussed on closer evaluation of 2 proposed revisions: removal of the secondary species component, creating a new 'In-scope Component' and the revised scoring issue b in PI 2.1.2. This round of [pilot testing](#) was conducted on 11 UOCs from 6 fisheries to better understand the impacts of the proposed classification of Principle 2 species into 2 components instead of 3.

4.3.2. Summary of impacts

Since the bycatch profile varies between gears-types these case study fisheries include trawl, gillnet, purse seine and longline. Three of the fisheries tested were the 3 that scored less than 80 in the exercise describe in number 1 above and 3 fisheries selected for having in-scope Secondary species to see the outcome when these are assessed with Primary species in a single component. Three of the 11 UoCs scored less than 80 for the overall P2 score (range 78.8-79.6). The methods for this testing assumed that Habitat and Ecosystem scores remained the same as in the PCRs. There were no patterns observed in the UoCs that scored above or below 80 for P2.

4.3.3. Decisions and next steps

Results indicate that the changes to the structure do not change the sustainability bar. However, it also became clear that changes to the structure cannot be made without changes to the outcome of the scores due to the scoring system currently in place. To make more extensive changes to

the structure would require modifications to the scoring system as well to avoid unintended consequences on the overall principle level scores.

5. Discussion and conclusion

Results indicate that the changes proposed within this project are highly unlikely to change the sustainability bar and are likely effective at increasing efficiency of an assessment against the Standard. Outcomes of pilot testing and the project-specific scoring sensitivity analysis shows that there are not material differences in fisheries passing the SG60 nor in whether they get a conditional or unconditional pass on a specific scoring issue. However, the removal of scoring issues and PIs changes the weighting of scoring, which ultimately impacts the overall Principle 2 score. Removing Sis changes the weighting, and where SIs are invariant or highly correlated, this can increase or dilute an overall score. Once these are removed there is an average reduction in the overall score of 0.9 points. Whether this is an acceptable reduction should be considered further.