MSC On-Shore Labour Practices

MSC Fisheries Standards and MSC Chain of Custody (CoC)/Traceability in Fiji’s Longline Tuna Industry

May 2019
Labour requirements for seafood supply chains

- 2014/15 worldwide media attention focused on forced and child labour in seafood industry
- Stakeholder pressure on MSC to include labour requirements into its program
- MSC Board announcement in July 2016

MSC to seek stakeholder input on enhanced requirements for labour practices

Jul 20, 2016
The Marine Stewardship Council (MSC) will be consulting stakeholders on a number of options aimed at providing the market with greater assurance that MSC certified fish...
**Objective:** To mitigate the risk that certified organisations and their subcontractors use forced or child labour, to provide greater assurance that certified product is not associated with egregious labour violations.
Key feedback from stakeholders

• Different views – from ‘stick to current scope’ to ‘MSC as the solution provider for social issues in seafood’
• Social issues are subjective and influenced by economic, cultural and local/regional norms
• Recognise existing solutions – do not duplicate efforts
• Attention to cost and accessibility challenges
• MSC’s reputation as a high calibre standard should be protected
Work undertaken (2016-2019)

- MSC working group formed in 2016
- Feedback from over 300 stakeholders from all sectors
- Events in China, Germany, Russia, Thailand, UK, Vietnam, plus calls, webinars
- Stakeholder workshop (November 2017)
- Worked closely with MSC governance bodies on strategic direction and technical implementation
- Several iterations of the proposal to ensure solution is effective and implementable
Social compliance in seafood

Social compliance audits are common to meet industry expectations and buyers’ responsible sourcing commitments.

Seafood labelling schemes with social requirements:
• ASC Farm Standard
• ASC-MSC Seaweed Standard
• Fair Trade USA
• Friends of the Sea
• Global GAP GRASP
• GAA Best Aquaculture Practices

Seafood buyers with codes of conduct/sourcing requirements
• IKEA
• McDonalds
• Tesco
• Thai Union
• Walmart

60% of certificate holders on SEDEX
20% of certificate holders on amfori BSCI
Labour requirements for seafood supply chains

You will need a labour audit if your CoC scope activities include processing (including contract processing), packing or repacking, or manual offloading from a fishery unless you can demonstrate that you are lower risk according to 2 or more of the following indicators:

- SA8000 Country Risk Classification
- International Trade Union Confederation Global Rights Index
- Ratification of 5 or more of UN conventions on forced or child labour, human trafficking or seafood/fishing
- US Department of Labor List of Goods made with incidence of forced and child labour

Country risk levels will be provided to CABs annually by the MSC.
Who will need a labour audit?

421 current certificate holders in 17 countries

**Americas:** Brazil, Colombia, Guyana, Honduras, Nicaragua, Panama, Peru

**Asia-Pacific:** China, Indonesia, Kiribati, Malaysia, Maldives, Papua New Guinea, Philippines, Thailand, Vietnam

**MENA:** United Arab Emirates
Why a risk-based approach?

- Reduce audit burden where risk is low
- Target countries with weak legal framework and/or weak law enforcement
- Simple and transparent
- Use publicly available information
- Use information compiled by competent authorities/ organisations
- No auditing or value judgement by CABs or MSC
Labour requirements for seafood supply chains

**Recognised programs:** amfori BSCI, SA8000, SEDEX SMETA, SSCI-recognised schemes

**Statement of Understanding:** All Standard Risk organisations will sign a statement that they understand and agree to comply with the labour requirements.

**12 month grace period:** If you require a labour audit, you will have 12 months, or until your second CoC audit against the revised CoC Standard, to complete it.

**MSC Third-Party Labour Requirements** is a new document that will explain the criteria that need to be met in each labour audit program to comply with the MSC requirements.
<table>
<thead>
<tr>
<th>28 March 2019</th>
<th>28 September 2019</th>
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<tbody>
<tr>
<td>Release of the CoC Standard v5.0</td>
<td>Effective date of the new versions of the CoC Standard</td>
<td>Certificate holders to all have had first audit against CoC Standard v5.0</td>
<td>All Standard Risk organisations to have completed labour audit</td>
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Thank you!

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