

March 2016



## Social responsibility and seafood

Since approximately 2006, various concerns regarding abuses of workers engaged in the seafood industry have steadily attracted more attention, from the media and civil society advocacy groups. Since summer 2014 Seafish has been actively engaged in this area and has introduced a series of work areas to help the industry achieve the goal of eliminating unethical practices from UK seafood supply chains (more details can be found on the [Seafish ethics in seafood webpage](#)). To facilitate a flow of information on this issue Seafish has established the [Seafood Ethics Common Language Group](#), news alerts are circulated regularly to this group and a number of industry briefing documents have been produced.

### Modern Slavery Act 2015

This is a crucial time for UK companies, as the Modern Slavery Act and its transparency in supply chain provisions is implemented. The [Modern Slavery Act](#) came into force in March 2015. The Act aims to prevent all forms of labour exploitation and increase transparency of labour practices in supply chains.

S.54 of the Act requires organisations to report on the processes and due diligence taken to ensure that their supply chains are slavery free. This 'Transparency in Supply Chains' clause requires organisations with a worldwide turnover of £36m or more and that have a 'demonstrable' presence in the UK to produce and publish a slavery and human trafficking statement each financial year ending on or after 31 March 2016. The statement is a summary of the steps the organisation has taken during the financial year to ensure that slavery and human trafficking is not taking place in any part of its business or its supply chains. A statement needs to be published regardless of whether any steps have been taken or not. While a disclosure stating that the company does nothing to prevent such practices is legally compliant under the law, such a disclosure can leave a company susceptible to negative publicity from customers and human rights organisations.

The Home Office has published a [practical guide](#) to the Transparency in Supply Chain clause which sets out the basic requirements of the legislation, as well as advice on what can be included in a statement to give assurance to those scrutinising the statements, but there is no tick-box obligation to be completed using a standard form. To help the seafood industry better understand the reporting requirements Seafish ran a [workshop](#) on 10 March 2016 to help seafood companies understand the wording of the legislation, but also the practical steps which companies in the seafood sector should take to consider the appropriate levels of risk assessment, and action, that they should put in place to address potential modern slavery issues, both in their supply chain and their direct operations. This guidance note has been produced to provide more specific information about how companies in the seafood sector might think about the content of their statement.

## Guidance on modern slavery statements for the seafood industry

- S.54 of the Modern Slavery Act 2015 requires all companies (wherever incorporated) who carry out business in the UK, and have a global turnover of £36m or more per year, to make a ‘slavery and human trafficking statement’.
- The statement should cover the steps the organisation has taken to ensure that slavery and human trafficking is not taking place in its own operations and its supply chains.
- The statement should be approved by the board, signed by a director, posted on the company’s website and with a link on the homepage.
- Slavery means any form of slavery, servitude, forced labour or compulsory labour. Trafficking is defined as facilitating the travel of someone for the purposes of exploitation.
- The provisions came into effect on 29 October 2015, but companies will only be required to report in relation to financial years finishing on or after 31 March 2016.

This document supplements the guidance provided by the UK Government, which is substantial and should be read in line with the steps suggested here, which are intended to provide more specific guidance about how companies in the seafood sector might think about the content of the statement.

The obligation to draft a statement is quite minimal, in the sense that it is possible for a company to report that it does not think it has any modern slavery risks and that it does not intend to do anything to find out whether there is any such risk.

However, such an approach to reporting is untenable for a company in the seafood sector, given the various public instances of forced labour and trafficking that have been revealed in the industry. Further, the nature of many maritime activities raise specific risks related to such practices on account of the following core risk factors: remoteness of activities; lack of direct governance; lack of employee representation; preponderance of migrant workers.

In the table below we set out key recommended components of a statement and some pointers for specific information that might be relevant for various headings, from the perspective of a company working in the sector.

	Key points to include	Pointers for Seafish stakeholders
<b>Introduction</b>	This should set out the key objectives of the statement, the coverage and timing of the statement and any specific issues that need to be communicated to understand the statement.	This need not be lengthy, but should allow the reader of the statement to understand context and any limitations of scope. For example, is there a focus on particular geographies or products, does it cover a group of companies, or just one entity?
<b>Organisational structure and supply chains</b>	Describe your business in general terms. Set out your supply chain structure in general terms. You may want to specify particular geographies you source from, or may leave it more general.	This need not be super detailed, and may include links to other documents, but it should allow the reader to understand what you do (and don't do). There are common specific issues about the seafood industry and how it works - there is no need to reinvent the wheel. Key points you may wish to acknowledge include: <ul style="list-style-type: none"> <li>• Complex supply chain for fresh fish</li> <li>• Even more so in relation to 'fish-feed' in aquaculture</li> <li>• Suppliers are fishing boats which are out of sight</li> <li>• There is a general problem of traceability</li> </ul>
<b>Policies</b>	Set out specific ethical sourcing or other relevant policies you have. Outline any labour related policies you have on agency or other workers. Set out any specific sustainability standards that have relevant provisions related to modern slavery.	You might not have a specific modern slavery statement, and provisions may be included in a range of other policies, procedures or statements. You should include links to these, rather than quote them in detail.  Key common industry standards may be referred to, for example: <ul style="list-style-type: none"> <li>• Seafish Responsible Fishing Scheme (RFS)</li> <li>• Aquaculture Stewardship Council</li> <li>• Global Aquaculture Alliance</li> <li>• Global G.A.P.</li> </ul>

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<b>Risk assessments</b>	Describe in general terms the way in which you identify where there is likely to be particular risks related to modern slavery – ie do you have a process to prioritise particular supply chains or geographies.	<p>Just indicating that you carry out audits is not a risk assessment process, what is expected is more of the way that you identify priorities for further consideration or flag particular countries or issues as high risk.</p> <p>This may include information on the process you use to undertake the risk assessment.</p> <p>Are there common risk assessments you have used, for example:</p> <ul style="list-style-type: none"> <li>• Risk Assessment for Sourcing Seafood (RASS)</li> <li>• Labour Safe Screen</li> <li>• Sustainable Fisheries Partnership FishSource</li> <li>• Verité tools?</li> </ul>
<b>Outcomes of risk assessment</b>	Provide some information on the nature and outcomes of your risk assessment exercise. Are there particular risks you have identified? Are you able to disclose them directly, or just refer to them more generally?	<p>What came out from your assessment? Where are the high risks? Where are the low risks? You may want to disclose wider geographical risks beyond those to which you are most reputationally vulnerable (e.g. Thailand) - there is risk of modern slavery in seafood in fisheries elsewhere around the world (e.g. West Africa). It may also be helpful to identify and explain root causes and drivers particularly if you are doing more work specifically in those areas (traceability/IUU fishing). For instance: <i>overfishing and demand for illegal fish leads to demand for illegal, unregulated and unreported (IUU) fishing which is linked to labour exploitation.</i></p>
<b>Investigations / Due diligence</b>	Are there additional steps that you have taken to further consider the risk and response in areas identified through your due diligence?	<p>This might include specific in-country investigations or collaborative work or looking at particular products for more information. It may also involve the commissioning of particular studies or research.</p> <p>If – as recommended above – you highlight the link between traceability challenges and modern slavery risk, it is a good idea to describe a bit about what you do to combat illegal/pirate fishing including any innovative use of technology to do so: (e.g. Fishtrax).</p> <p>Beware of relying exclusively on certification here as social compliance components are only covered under certain certification schemes and for many of these are new and limited in scope.</p>

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<b>Action and responses to modern slavery risks</b>	Are there specific things that you have done to reduce the risk of modern slavery or respond to known instances of modern slavery?	<p>Are there specific or general things that you have done to address modern slavery? Generally, there are four broad categories of actions/responses that seafood companies take that merit disclosure as actions/ responses:</p> <ul style="list-style-type: none"> <li>• Knowledge sharing collaborative initiatives seeking reforms at the political level (including Seafish Seafood Common Language Group, Shrimp Sustainable Supply Chain Task Force).</li> <li>• Supplier engagement (including suspension in some cases) including supplier surveys, interviews, audits and gathering new information.</li> <li>• Multi-stakeholder lobbying efforts – including government engagement on legislative/policy/enforcement reform in Thailand (politically, companies may not wish to disclose this) but can reference membership or participation in initiatives that do this.</li> <li>• Work towards developing a credible means of supplier certification (Fairtrade, UK RFS).</li> </ul>
<b>Monitoring</b>	What kinds of monitoring do you put in place to monitor the ongoing risks and responses to modern slavery in the supply chain and your own staff?	<p><i>Traceability</i> is the most important question for seafood companies when it comes to monitoring. Given the logistical challenges of verifying conditions on board vessels and preventing illegally caught fish from entering the supply chain, stating what efforts are taken to promote supplier transparency and improve traceability is the most direct way a seafood company can answer this question.</p> <p>It is also a good idea to identify other monitoring tools, particularly where feedback sought directly from workers themselves (e.g. Issara Institute), but it is important to acknowledge that the company does not expect these to deliver a complete picture.</p>
<b>Training</b>	Have you carried out any training on modern slavery? Who have you trained and what sort of things were covered?	<p>For direct staff, have you brought in any specialist support to train staff on identifying and responding to risks of modern slavery (e.g. independent consultants)?</p> <p>In relation to training suppliers, Fisheries Improvement Projects (FIPs) with a social component can be mentioned as an example of training if their aim is to improve transparency in relation to labour.</p>

## Initiatives

- Seafish Responsible Fishing Scheme (RFS), Certification Mark. See: <http://www.seafish.org/rfs/>
- Aquaculture Stewardship Council, Standards, Certification and Accreditation. See: <http://www.asc-aqua.org/>
- Global Aquaculture Alliance, Best Aquaculture Practices (BAP), Certification. See: <http://gaalliance.org/what-we-do/bap-certification/>
- Global G.A.P., Aquaculture standard. See: [http://www.globalgap.org/uk\\_en/for-producers/aquaculture/](http://www.globalgap.org/uk_en/for-producers/aquaculture/)
- Seafish Risk Assessment for Sourcing Seafood (RASS). See: <http://www.seafish.org/rass/>
- Labour Safe Screen. See: <http://www.laborsafescreen.com/>
- Sustainable Fisheries Partnership (SFP), FishSource. See: <http://www.fishsource.com/>
- Verité (Fish). See: <http://www.verite.org/Commodities/Fish>
- Fishtrax, Electronic Fishery Information System. See: <http://fishtrax.org/>
- Shrimp Sustainable Supply Chain Task Force. See: <http://www.shrimptaskforce.global/>
- Issara Institute. See: <http://www.projectissara.org/>

## Resources

- Stronger Together. See: <http://stronger2gether.org/>
- Ethical Trading Initiative (ETI) Base Code. See: <http://www.ethicaltrade.org/eti-base-code>
- Gangmasters Licensing Authority – Labour Exploitation: Spotting the signs brochure. See: <http://www.gla.gov.uk/media/1573/human-trafficking-spotting-the-signs-v5-all-amends.pdf>

## For further information on Seafish and their ethics in seafood work

- Seafood Ethics Common Language Group. See: <http://www.seafish.org/responsible-sourcing/discussion-forums/the-seafood-ethics-common-language-group>
- Seafish Ethics in Seafood work. See: <http://www.seafish.org/responsible-sourcing/ethics-in-seafood>
- Assessment of ethical issues impacting on seafood species landed into, and imported to the UK. See: <http://www.seafish.org/responsible-sourcing/ethics-in-seafood/assessment-of-ethical-issue>
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