

Note of Ethics Working Group (EWG) meeting held at Fishmongers' Hall, London Bridge, London. Thursday 17 July 2014

1. Welcome, introductions and apologies

Tom Pickerell welcomed everyone to the meeting. It was agreed that the meeting would be conducted under Chatham House Rules. This is taken to mean: we will list all those who attended the meeting; we will make notes on the comments made at the meeting but will not attribute the comments made; and we will make the minutes publicly available.

Attendees

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| Aidan McQuade | Anti-Slavery International |
| Aisha Aswani | Co-op |
| Alessa Rigal | Ethical Trading Initiative (ETI) |
| Andy Hickman | Consultant |
| Blake Lee-Harwood | Sustainable Fisheries Partnership (SFP) |
| Brian Hickey | Ocado |
| Catherine Pazderka | British Retail Consortium (BRC) |
| Dani Sewell | Seafish |
| Dave Little | University of Stirling |
| David Parker | Youngs |
| Debbie Coulter | Ethical Trading Initiative (ETI) |
| Estelle Brennan | Lyons Seafoods |
| Gareth Bennell | Aldi |
| Gretel Bescoby | International Fishmeal and Fish Oil Organisation (IFFO) |
| Helen McTaggart | M&S |
| Henrietta Lake | Sainsburys |
| Huw Thomas | Morrisons |
| Ian Pollard | Sustainable Fisheries Partnership |
| Jo Scott | Morrisons |
| Josh Stride | Environmental Justice Foundation (EJF) |
| Karen Green | Seafish (Minutes) |
| Katie Miller | ClientEarth |
| Katinka Abbenbroek | Sustainable Trade Initiative (IDH) |
| Kirstie Worrall | Ocado |
| Klara Skrivankova | Anti-Slavery International |
| Libby Woodhatch | Seafish |
| Marcus Wilert | Waitrose |
| Mel Groundsell | Seafish |
| Michaela Archer | Seafish |
| Mike Berthet | M&J Seafoods |
| Mike Mitchell | Youngs |
| Mike Short | Food and Drink Federation (FDF) |
| Nigel Edwards | Seachill |
| Peter Stedman | Tesco |
| Sam Rush | Consultant |
| Sophia Cochrane | Tesco |
| Stephan Jermendy | Environmental Justice Foundation (EJF) |
| Suzanne Clift | Aquaculture Stewardship Council (ASC) |
| Tom Pickerell | Seafish (Chair) |

Apologies

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| Chris Ninnnes | Aquaculture Stewardship Council (ASC) |
| Daniel Lee | Global Aquaculture Alliance (GAA) |
| Jonathan Shepherd | Consultant |
| Laky Zurvudachi | Direct Seafoods |
| Melanie Siggs | International Sustainability Unit (ISU) |
| Melissa Pritchard | New England Seafoods |
| Peter McAllister | Ethical Trading Initiative (ETI) |
| Riyaz Dhalla | Waitrose |

Introduction

Tom explained the background. That concerns over labour issues in Thailand had been bubbling for a while but came to a head with the *Guardian* articles in June. It would appear that there are a lot of people with an understanding of the seafood industry and a lot of people with an understanding of ethical issues and how to address them, but not necessarily very many people that can cover both. This meeting had been convened, at the request of industry, to find that overlap and to do something positive. He flagged up that industry wanted 'ethical' included in the Seafish strapline going forward and that Seafish would be looking at ethical issues in three ways – people, product and animal.

Scene setting – Michaela Archer, Seafish.

Michaela explained that Seafish is Non-Departmental Public Body, set up under the 1981 Fisheries Act to improve efficiency and raise standards across the seafood industry (net to plate), and to secure a sustainable and profitable future for the UK seafood industry. Seafish covers all sectors; catching, importing, processing, retailers, food service and consumers, and is funded by a levy on the first sale of seafood landed and imported into the UK.

Over the years a number of species and countries have been implicated in a number of labour issues (slavery, trafficking, child labour) including: Tuna (Thailand); Fishing for feed fish and 'trash fish' for prawn feed (Thailand); Warm water prawn aquaculture & processing (Thailand, Bangladesh); and Scallops (Scotland). Issues surrounding Thailand have cropped up the most, and with the recent *Guardian* headlines and a bank of evidence contained in reports, this can't be ignored. A map was used to illustrate where trafficking and labour exploitation in the global seafood industry occurs had been highlighted globally. The issues and responses to this cover: businesses refusing to buy from Thailand and/or quickly changing suppliers, however the wider implications and consequences for the workers were unknown; consumer perceptions and advice to 'avoid prawns' or 'avoid scallops'; industry-wide reputation risk; brand risk; businesses required to 'police' the supply chain.

We all agree that it is an indefensible position that seafood is produced at the expense of human and labour rights, we cannot condone this practice and don't want this issue in our supply chain. We are expected to respond to the media but we have little to say at present – we can't defend the indefensible, we want to be proactive and not reactive and we need to work collaboratively.

Key questions and discussions for the day

Do we understand and accept the current position? Are the media correct?

Discussion

- The fact that this meeting came together quickly and is very well attended shows we don't fully understand the issues. It is also important to recognise that this issue does not just relate to Thailand, highlighting the tuna fisheries in the Indian Ocean in particular, problems in the Falklands (Government would be very sensitive), problems in other Flag States. It is not sufficient to react after each scandal – we need to be more proactive.

- What is the history to this? Are there specific linkages between the *Guardian* articles and the previous EJF reports?
- Independent journalists have been looking at this issue for some time. What the *Guardian* report does for the first time is show the systematic nature of the abuse intrinsic within the Thai fishing industry.
- There are a number of issues that have come together here. A lack of fisheries management in Thailand, overfishing and the supply trade driving down prices has created a labour shortage which in turn means boats stay out for longer, and this is driving trafficking. There is also very low unemployment in Thailand and a lot of migrant labour.
- Obtaining information on the Thai fishing industry and verification is very difficult and really this information should come from the Thai Government and should be linked to the IUU Regulation. Industry has made great strides and brought pressure on Government but individual companies can only do so much. Pressure has been brought to bear on CP Foods but the very nature of the problem means we have to put pressure on Government.
- Overfishing and a lack of strong Government means that the state has turned a blind eye. The Work in Fishing Convention (ILO 188) was mentioned, launched June 2007. This will come into force 12 months after it has been ratified by 10 countries, including at least eight coastal states (as at May 2014 five countries have ratified). (UK timetable for ratification is end of 2016). This is a slow process. It is likely that Government will pay more attention to business than to NGOs. This group could pull together a set of requests /demands to Government ie an inspection and investigation regime at sea. If you only rely on auditing this will not work.
- Overfishing is one aspect. IUU vessels are also likely to be abusing labour.
- In the case of New Zealand the fisheries inspectors have a mandate to look at conditions on fishing vessels.
- Labour rights could be included within Health and Safety requirements but it is the 'hidden nature' of slavery that is the real problem. It is important to look to the work of those groups working to eliminate human trafficking rather than treating this as addressing one part of the wider ethical issue.
- It is hidden, but hidden in plain sight. Inspections and audits are carried out to look for specific things but don't seem to pick up on slavery issues. Even in the UK very rarely does an H&S inspection raise issues of slave labour. We need a set of indicators to help identify where human rights issues are being violated which would enhance the existing inspection of vessels.
- The situation in Thailand could possibly have continued as it has because of mixed messages from the supply chain. The focus in the UK supply chain has been on environmental considerations.
- UK Government really needs to get involved. The mechanisms are there but there has been no real action. The US Government has downgraded Thailand to tier 3 in its Trafficking in Persons report 2014. Has the UK Government done anything similar? It is the Home Office that has the lead on this because this is classed as an immigration issue. This would not come under the remit of Defra.
- We need to be aware that the UK is not regarded as a leading light when it comes to issues of slavery and migrant workers. We also need to avoid 'preaching' to the Thai Government as they are likely to cite issues in the UK.
- The introduction of the Modern Slavery Bill does mean that the issue has a more international focus. There are going to be discussions over the draft Modern Slavery Bill. As it stands there is no provision requiring companies to check for forced labour/slavery in their supply chains. The Government favours a voluntary approach. This means there are currently opportunities for the supply chain to produce robust policies. The view is the Government does not want to put more regulatory pressure on business.

- The meeting in May in Bangkok with the ILO and the Thai Government highlighted that the local fishery inspectors are very unlikely to be able to help improve the situation.
- Looking at an EU level and what can be done. The IUU regulation does not cover labour at all but the idea has been put forward of inserting a forced labour/slavery clause within the IUU definition. This regulation has become an effective tool.
- Do we have a fully-formed idea of what we are asking for? What are our expectations? What can we realistically expect? Is there anything available that businesses can use now? ILO 188 is on the table but has only been ratified by five countries. Assuming it is ratified we still have to consider who will be responsible for enforcing it.
- Giving as an example the palm oil industry and its efforts to improve its sourcing policies. The real question is whether the market is prepared to pay more for its raw material.
- ILO is one pressure point, as well as the conversations between the ILO and the Thai Government. But this is a slow process. Expediency must be considered. We need to be trying to help improve conditions on vessels now and it is very difficult to bring commercial pressure when there are calls for boycotts. Commercial leverage to improve standards at vessel level is negligible when there is a push for a boycott from NGOs. The UK is a relatively small market and we need to build momentum.
- The aim is for decent work for all workers and that is certainly not achieved through boycotts. What we need is the collective desire. ILO 188 is the 'gold standard' but there is going to be a time lag. However there are various other protocols including C029 - Forced Labour Convention, 1930 (No. 29), but the issue is not so much what is there but how do we implement.
- The Responsible Fishing Scheme is being developed to an ISO standard which will include social and welfare criteria. This is currently UK-focussed but could be developed internationally, and there has been a lot of interest. The new standard is due for launch in June 2015.
- Also need to consider if we 'solve' the problems within the seafood supply chain where do these people go? Are they merely displaced? This could in effect create problems in other supply chains so the approach needs to be broader.
- One big issue is the lack of reporting by the fishermen themselves. The Gangmaster Licensing Authority (GLA) says that most of the reports of abuse do not come from the workers but from other sources. How successful is the Project Issara hotline? Hotlines are not all the same throughout the world. We have not yet had any successful prosecutions in Thailand but what the hotline is doing is providing insider knowledge of specific issues so that we can direct resources more readily. In Thailand we now need to translate that knowledge into practical action.
- Does anyone have any links in Thailand to ascertain what the general population think? Do they know about the conditions on fishing vessels? There are a number of other issues in Thailand at the moment with political instability and instances of organised crime. Organised crime often thrives under political and economic instability and we need to be aware that this can penetrate supply chains.

Possible actions identified:

- It is likely that Government will pay more attention to business than to NGOs. This group could pull together a set of requests of Government e.g. an inspection regime at sea and write to Government as a collective.
- We need a set of indicators to help identify where human rights issues are being violated which could be incorporated into an inspection/investigation programme.
- There are going to be discussions over the draft Modern Slavery Bill. As it stands there is no provision requiring companies to check for forced labour/slavery in their supply chains. The Government favours a voluntary approach. This means there are currently opportunities for the supply chain to produce robust policies.

- Over the next six months there is a good window to work with UK Government – to explain the issue in Thailand and business is looking for.
- Seafish could facilitate a meeting with Government representatives on this issue and ask for UK Government to suggest they feed a request into DG SANCO for the IUU Regulation to also cover forced labour
- We need to be very clear on what we are asking for, what are our expectations and what we can realistically expect.
- Need to look into what the Thai Government did commit to in May 2014.

What is happening? Who is doing what in this area?

Discussion

- A paper was tabled prior to the meeting which listed activities at an international, European and UK level to address issues in the Thai fishing industry. It also covered, at the same three levels, activities and organisations looking at human rights generally.
- The Sustainable Fisheries Partnership (SFP) runs Fisheries Improvement Projects (FIPs) which have brought together processors and fishermen. There are currently 40 FIPs. However none of the FIPs include a human/labour dimension. These are highly transparent projects. The challenge is how take a model, which deals in environmental considerations, and develop it to cover social as well. SFP is currently seeking guidance and support from other organisations. There was a special thanks to Huw Thomas for the help he was providing in this area. An economic model has been developed but these have shown a 50% reduction in capture fisheries is the outcome.
- There is also an ASEAN FIP protocol development project by Corey Peet, funded by USAID where Thailand is included among other key member state, the Philippines, Indonesia, and Vietnam.
- The IDH Farms in Transition Fund is adopting a step-by-step approach and has funds available.
- The Ethical Trade Initiative (ETI) has been working on a supply chain initiative in Thailand for two years bringing together ETI members, the ILO and the Thai Government. This has produced a much better understanding of the key labour issues. Where there is greater visibility ie on the farms and in the processing sheds there has been progress but the real problem area is on the vessels. There was a meeting in Bangkok in May this year which the Thai Government attended. The ETI is working very closely with the ILO on this issue. We acknowledge however that the UK on its own, does not have a lot of leverage. The EU has more but we really need international collaboration and political intervention.
- The Anti-Slavery International Project Issara covers monitoring and assessment of processing facilities, but also aquaculture ponds, the fishmeal supply chain, and fishing vessels.
- There are forced labour issues right through this and we are hoping to start influencing policy.
- The European Fish Processors and Traders Association (AIPCE) has contacted the National Fisheries Institute (NFI) in the USA and written to the Thai Government. This brings together the combined voice of all the main importers from the EU and the States.
- The Seafood Summit in New Orleans in February 2015 could be a platform for activity.
- CP Foods have issued a statement about the elimination of fishmeal from all prawn feed.
- The Aquaculture Stewardship Council is in the early stages of developing a feed standard. ASC, the Global Aquaculture Alliance (GAA) and GlobalG.A.P. are also collaborating in this area.

- There are a number of aquaculture certification standards covering farms and feed mills, and RFS for vessels however it is not the standards themselves but how well they are being monitored and audited that is crucial. It is also not clear whether all the auditing bodies work in the same way.
- MRAG works with the Regional Fisheries Management Organisation (RFMOs) on fisheries monitoring, control and surveillance of vessels and there is talk about social aspects becoming part of the inspection process.
- The International Fishmeal and Fish Oil Organisation (IFFO) RS standard is an independently governed and audited certification scheme for fishmeal and fish oil producers. It is primarily an environmental standard. It does not cover vessels and does not include social clauses in its scope.
- Stronger Together is a multi-stakeholder initiative to reduce human trafficking, forced labour and other third party migrant worker exploitation in the food and agricultural sectors. They have a toolkit for employers and labour providers which could be a transferable resource.
- GAA plans to address the issue of social justice aboard fishing vessels for reduction fisheries by including it as a key topic at a day-long feed workshop on Tuesday 7 October in Vietnam in advance of the GOAL conference.

Possible actions identified:

- It would be useful to look at these standards in more detail to see how they are aligned re social and welfare elements.

What needs to be done

This has been grouped under the headings:

1. Gaps in information/Political action
2. Standards/Actions and initiatives
3. Future of the ethics group

1. Gaps in information/political action

1.1 Should we update and publish the document that was circulated as an evidence base?

- We can effect change so we should put it out – but we will be challenged.
- We can't tackle this on our own. We need to be able to signpost to more information.
- This would be an enormous marker – showing what is in place.
- We are already working in this area – we need to recognise the overlap, share and learn.

1.2 Clear idea of what are we asking for.

There was consensus for the group to say what it believes, demonstrate the values it upholds, communicate key messages and make use of the evidence base above. There was the comment that retailers get chastised for not having clear messages. Retailers need a clear steer from the seafood industry about what questions they should be asking of their suppliers and what commitment they should expect. It was suggested that the nine ILO indicators could be a start and somebody needs to collate this which would be a role for Seafish.

A four-pronged approach for lobbying purposes was suggested which the group could sign up to and has a clear message to cover:

- To establish an international response to slavery in the seafood supply chain.
- Due diligence in the UK.
- Introduce the Modern Slavery Bill and validate ILO 188 and apply.
- Encourage international government and international business to engage with the Thai Government on the way forward in all supply chains not just fisheries.

However:

- We need to be clear about the 'benchmark' for the group – the performance level we expect. That the industry is not going to walk away from the problem. This is something that hopefully does not need to be a long process.
- We need a single strong message – short and to the point.
- There is real momentum now – if the objective is to eradicate slavery in the seafood supply chain there needs to be a long-term commitment.
- We need clear targets and recognise there may be opportunities within existing regulations.

1.3 Look at what has been successful before:

- ISU fishmeal project and collaboration with the British Retail Consortium
- Lobbying on the shape of the reformed CFP

1.4 Clarify UK Government position

- Alignment of approach – need a letter with an action plan to underpin it.
- Joint letter to David Cameron could make a huge difference. He is stated as saying 'this should be left to the consumer'. The combined weight of the group could get a change of direction and influence a UK Government approach to the Thai Government – however it is likely the Thai Government has received many letters.
- Ongoing discussion on the Modern Slavery Bill and a General Election in 2015 could be a benefit – nobody is going to dispute the need for the Bill.
- The TIP report has led to the Thai Government taking hard action against migrants – a joint UK/EU approach would be safer at the moment.
- BRC has been approached by Government and will be helping them to understand how businesses engage with their supply chain with practical examples of the retail landscape. This is within the framework of the Modern Slavery Bill and will basically show the landscape re transparency and ethical issues. This could be an opportunity.

1.5 ILO 188

- All activities should be aligned with ILO 188 – so that we are talking a 'common language'. It is important not to disturb the activities that are already underway however industry can say things that the ILO cannot.
- The ILO has been working in Thailand for three years but its funding and mandate was for three years and this comes to an end in 2015.

1.6 Auditing

The question of audits cropped up a number of times.

- While audits are key they are not the only answer and are not always definitive - shift auditing of the supply chain to more of a focus on inspections/investigation.
- The premise of the reformed RFS is that we are responsible and ethical and are audited by a third party to this effect.
- Why are unannounced audits not the way forward? Audits should be part of a toolbox of measures but it is very difficult to carry them out at sea.
- There were comments that the monitoring of vessels should be separate from that of shore based. This was not a suggestion that there should be only concentration on the 'at sea' part of the food chain, but a reflection that the issues concerning shore based seafood production are accessible, covered by existing regulation and have various NGOs working in the field (in stark contrast to actual fishing). It was suggested that there should at least be a group formed to concentrate on the 'at sea' aspect. The revelations that had caused, and will cause, the scandal raised by the *Guardian* and others were all committed at sea. These boats do not come ashore however they are subject to inspection of their catch (ie you can't tranship tuna without an inspection of the catch) – this could be used. If you can monitor catch you

can also monitor labour rights. These areas are overlapping ie a seafood supply chain statement that makes it clear that the focus is 'at sea'.

- At sea and the high sea are real problem areas. There was some ideas about involving the Marines and Navy to monitor.
- The Global Record of Vessels over a certain size could help.

1.6 Other aspects

- Links – regional and social.
- Are we really talking about ethics.
- Seafish will be including 'ethical' within its strapline.
- Can a supply chain be 'responsible' if it is not ethical? The Sustainable Seafood Coalition voluntary code is an environmental code.

2. Standards/initiatives

2.1 Evidence base

- There are a number of standards which do not provide the whole answer but do provide an approach however auditing has been flagged up as an issue with instead a call for a more risk-based approach with a mechanism of investigating and reporting.
- Do standards complement each other?
- There are also mechanisms and vehicles we should highlight.
- Could we get an agreement on a common standard for vessels – also recognising the difficulty of monitoring at vessel level. Whilst the RFMOs do have vessel list these are incomplete and out-of-date.
- We should look at the FAO Code of Conduct.

2.2 Other aspects

- Look at how other countries have tackled this.
- Need a multi-disciplinary approach.

3. Future of the ethics group

- Seafish was happy to facilitate the group.
- There was consensus that the group should reconvene and Seafish would facilitate.
- This could be a joint group linked to/with other ongoing initiative(s).

Action

- Seafish to draft letter.
- Seafish to circulate minutes.