Annex

What should seafood companies be doing to address labor risks in their supply chains?

Summary

1. *Identify areas of higher risk* – Conduct a human and labor rights risk assessment and use the outcomes to identify and prioritize objectives for improvement efforts. Labor risks considered should include human trafficking, forced labor, hazardous child labor, and the freedom to organize and bargain collectively, as well as general working conditions such as wages and the provision of a safe working environment.
2. *Conduct deeper due diligence* – Traceability measures and social audits can be used to help assess whether suppliers are meeting the agreed requirements. In addition, seafood companies may seek out certification to relevant standards such as the Fair Trade USA Capture Fisheries Standard and the Responsible Fishing Scheme.
3. *Engage in pre-competitive collaboration at a fishery and sector level* – To give the greatest likelihood of improvements being made, seafood companies should collaborate with other stakeholders like seafood buyers, nongovernmental organizations (NGOs), and government, and leverage their influence as a buyer to encourage suppliers to work together pre-competitively.
4. *Engage in dialogue at a national or regional level* – Seafood companies should actively encourage changes in governance that will support improvements in seafood production.
5. *Publicly report on social responsibility practices* – Transparency is an integral part of social responsibility. Seafood companies should report on actions taken to identify and address social issues, including a summary of audit scheduling and results.

Guidance

1. Map out the supply chain

Companies should identify the origin of their seafood purchases and key supply chain partners. Mapping out the supply chain provides a starting point for seafood companies to identify their risk exposure to labor abuses. The Responsible Sourcing Tool provides guidance on mapping the supply chain and information to collect from suppliers: Tool 3: Mapping the Seafood Supply Chain.

2. Identify areas of higher risk

A risk assessment should be conducted to identify the likelihood of labor abuses occurring in the supply chain and to prioritize areas of higher risk for further due diligence. The Responsible Sourcing Tool provides a guide to information gathering and risk assessment in seafood supply chains: Tool 4: Risk Assessment Guidance for the Seafood Supply Chain.

Risk assessments may be done in-house using freely available risk tools such as the Seafood Slavery Risk Tool, described below, or may be conducted by specialist risk consultancies.

Example risk tools include:

[The Seafood Slavery Risk Tool (SSRT)](#)
Run by SFP, the Monterey Bay Aquarium Seafood Watch Program, and Liberty Shared (formerly Liberty Asia), the SSRT was launched in 2018 and rates the likelihood that forced labor, human trafficking, or hazardous child labor is occurring on fishing boats in a fishery. The methodology behind the tool is now undergoing further development, with a view to expanding the risk assessment to cover the wider seafood system, including aquaculture and seafood processing.

[The Labor Safe Screen](#)
Run by Sustainability Incubator, the Labor Safe Screen is intended to help companies identify risk and implement improvements. The tool comprises a five-point framework that incorporates supply chain mapping, an algorithm to estimate risk in fishing operations, and supplier and human rights data. The methodology behind the tool is published in *[Science Advances](#)*.

[The Social Responsibility Assessment Tool for the Seafood Sector](#)
Developed by Conservation International, the Conservation Alliance for Seafood Solutions, and member organizations of the Coalition for Socially Responsible Seafood, the Social Responsibility Assessment Tool comprises a set of Performance Indicators and Scoring Guideposts, measured against the three principles and six components of the Monterey Framework, that can be used to assess social risks in a fishery. As of mid-2019, the tool is being pilot tested.

[The Sedex Risk Assessment Tool](#)
The Sedex Risk Assessment Tool can be used to assess risk among existing suppliers and as a screening tool for prospective suppliers. The tool uses intelligence from global risk analytics firm [Verisk Maplecroft](#).

3. Conduct deeper due diligence
Deeper due diligence should be conducted to address the ethical treatment of labor, with a focus given to supply chain areas identified as higher risk.

To prevent, identify, and act upon social risks, businesses should develop and implement a Social Responsibility Policy or Code of Conduct and embed it within company practices. Legal advice should be taken during development to ensure that these documents meet or exceed legislation in the relevant countries. The Responsible Sourcing Tool provides a sample Code of Conduct: [Tool 1: Sample Code of Conduct Provisions for Seafood Supply Chains.](#)

Companies should create awareness of these policies or codes among suppliers, and information and requirements should be extended down the supply chain. Documents such as a Master Purchase Agreement or Supplier Code of Conduct should be used to implement a social responsibility agreement with suppliers, who should be given support to help them implement the requirements. The Responsible Sourcing Tool provides a sample Social Responsibility Agreement: [Tool 2: Sample Social Responsibility Agreement for Seafood Suppliers.](#)

Traceability and social audits can be used to help assess whether suppliers are meeting the agreed requirements. Based on the outcomes of the audit observations, companies should then work with suppliers to achieve compliance. The Responsible Sourcing Tool provides a list of example standards

that may be applied to the seafood sector: [Tool 1C: Examples of Voluntary Third-Party Standards in Seafood Sector.](#)

It should be noted that there are limitations to audit systems. Suppliers can experience audit fatigue when audited using different codes and practices by multiple buyers. One tool available to help reduce such fatigue is [Sedex.](#) Sedex Advance is a collaborative ethical data platform that allows members to store, share, and report on responsible sourcing data on supply chains. Through the platform, the results of ethical audits can be shared with multiple buyers, avoiding the duplication of audit efforts.

More concerningly, audit observations may not represent actual working conditions, and there is a potential for audits to miss serious concerns such as child labor, especially when pre-announced. As such, auditing should be used alongside other methods such as participatory approaches. For further information on participatory methods, see Section 6 of the ETI's [Introductory Guide for Integrating ethical trade principles into core business practices](#).

Grievance mechanisms and other worker feedback mechanisms should be implemented in combination with audits to collect information to verify working conditions, empower workers, and redress abuses. Businesses may choose to implement mechanisms that extend down to their supply chain or to work with their suppliers to implement mechanisms and support them to do so. Examples of worker voice mechanisms include workers' unions and telephone hotlines. Businesses should put safeguards in place to enable workers to relay complaints safely and confidentially, and to protect them from reprisals. Workers should be given access to remedial processes including, if necessary, legal channels for remediation. Remediation processes should address the identified grievance and seek to prevent future harm. Practical guidance on worker voice is available through the online tool [RISE (Roadmap for Improving Seafood Ethics)](#).

4. *Engage in pre-competitive collaboration at a fishery and sector level*
To give the greatest likelihood of improvements being made, seafood companies should collaborate with other stakeholders like seafood buyers, NGOs, and government, and leverage their influence as a buyer to encourage suppliers to work together pre-competitively.

The [Modern Slavery Map](#) provides an interactive map of initiatives and organizations engaging with the private sector on human trafficking, child labor, and forced labor. This presents a useful resource for companies seeking partners or resources to address modern slavery.

5. *Engage in dialogue at a national or regional level*
To fully implement and enforce some fishery improvement efforts, changes in policy may be required. Seafood companies should consider the government policies and enforcement procedures (or lack thereof) that enable labor abuses such as human trafficking to occur and engage in dialogue with governments to implement policy changes for better regulation and enforcement. The ILO operates [Natlex](#), a database of national labor, social security, and related human rights legislation that can be searched by country and subject. Relevant topics in which seafood companies may wish to engage governments include the ratification and implementation of international agreements such as the [Work in Fishing Convention, 2007 (C188)](#) and the [Port State Measures Agreement](#)

(PSMA). Additionally, companies may contribute by encouraging supply chain improvements that reduce barriers to the ratification of international agreements.

Examples of national-level collaborative efforts and opportunities to engage with other stakeholders in the seafood industry on national policy include:

The Seafood Task Force (formerly the Shrimp Task Force) – An international multi-stakeholder collaborative focused on addressing labor abuses in Thailand's fishing industry. Membership is open to any organization that buys seafood. To engage with the group, contact the Task Force Secretariat via https://www.seafoodtaskforce.global/contact/.

The ETI Thailand Seafood Working Group – The working group aims to address worker exploitation in the Thai seafood industry using industry collaboration and knowledge sharing to drive changes.

The Seafood Ethics Common Language Group (SECLG) – Run by Seafish, the SECLG operates with the aim to establish a common understanding of ethical issues within the seafood industry, communicate measures taken to address them, and agree on a clear agenda for future action. The Group meets in London twice a year. Minutes and presentations from the meetings can be accessed via the link above.

The ILO Ship to Shore Rights Project – This EU-funded project works with the Thai government, employers' organizations, workers' organizations, and buyers to combat unacceptable forms of work in the Thai fishing and seafood processing sectors.

An example of a regional collaborative effort is the Southeast Asian Forum to End Trafficking in Persons and Forced Labour of Fishers (The SEA Forum for Fishers). The forum aims to coordinate efforts to combat human trafficking and forced labor at sea. Members of the SEA Forum include national government authorities, workers' representatives, employers' representatives, and businesses that source from the fishing and seafood industry in Southeast Asia.

6. Publicly report on social responsibility practices
This last step represents an extension of what many seafood companies are already doing for environmental issues – to monitor and measure efforts and report publicly on challenges and successes. Businesses are increasingly expected to disclose information regarding human rights impacts in their supply chains and the due diligence policies and processes used to address them. Modern slavery disclosures have become a legal requirement in some nations. Examples of relevant legislation include:
- California Transparency in Supply Chains Act (CTSCA) 2010
- United Kingdom Modern Slavery Act (U.K. MSA) 2015
- Australian Modern Slavery Act (Australian MSA) 2018.

Companies should anticipate that these laws are likely to become increasingly stronger and should look to exceed current requirements where possible.

Communicating efforts in social responsibility to stakeholders not only gives companies an opportunity to demonstrate their responsible practices and to be held accountable for their actions,

but also allows others to learn from their efforts. A lack of data on social issues in fisheries makes it difficult for companies to fully assess risks, determine where improvements can be made, or understand the consequences of changes in seafood production. Thus, transparency and data sharing lend themselves to the good of the whole seafood stakeholder community.