

# Ensuring healthy oceans for the future – An Auditing Perspective

# Introducing the MSC

Oceans are essential to life on Earth. Covering more than 70% of the planet's surface, oceans supply the oxygen in every second breath we take.

Oceans are also vital to human health and well-being. They support the livelihoods of one tenth of people on the planet, while fish is one sixth of the animal protein consumed by people around the world\*.

But our oceans are under enormous pressure. Unsustainable fishing is harming fish populations, habitats and fishing economies.





# Our mission

*is to use our ecolabel and fishery certification program to contribute to the health of the world's oceans by recognising and rewarding sustainable fishing practices, influencing the choices people make when buying seafood and working with our partners to transform the seafood market to a sustainable basis.*



Fisheries which meet the MSC standard are independently certified as sustainable

Retailers and restaurants choose MSC certified sustainable seafood

A traceable supply chain assures consumers that only seafood from an MSC certified fishery is sold with the MSC ecolabel

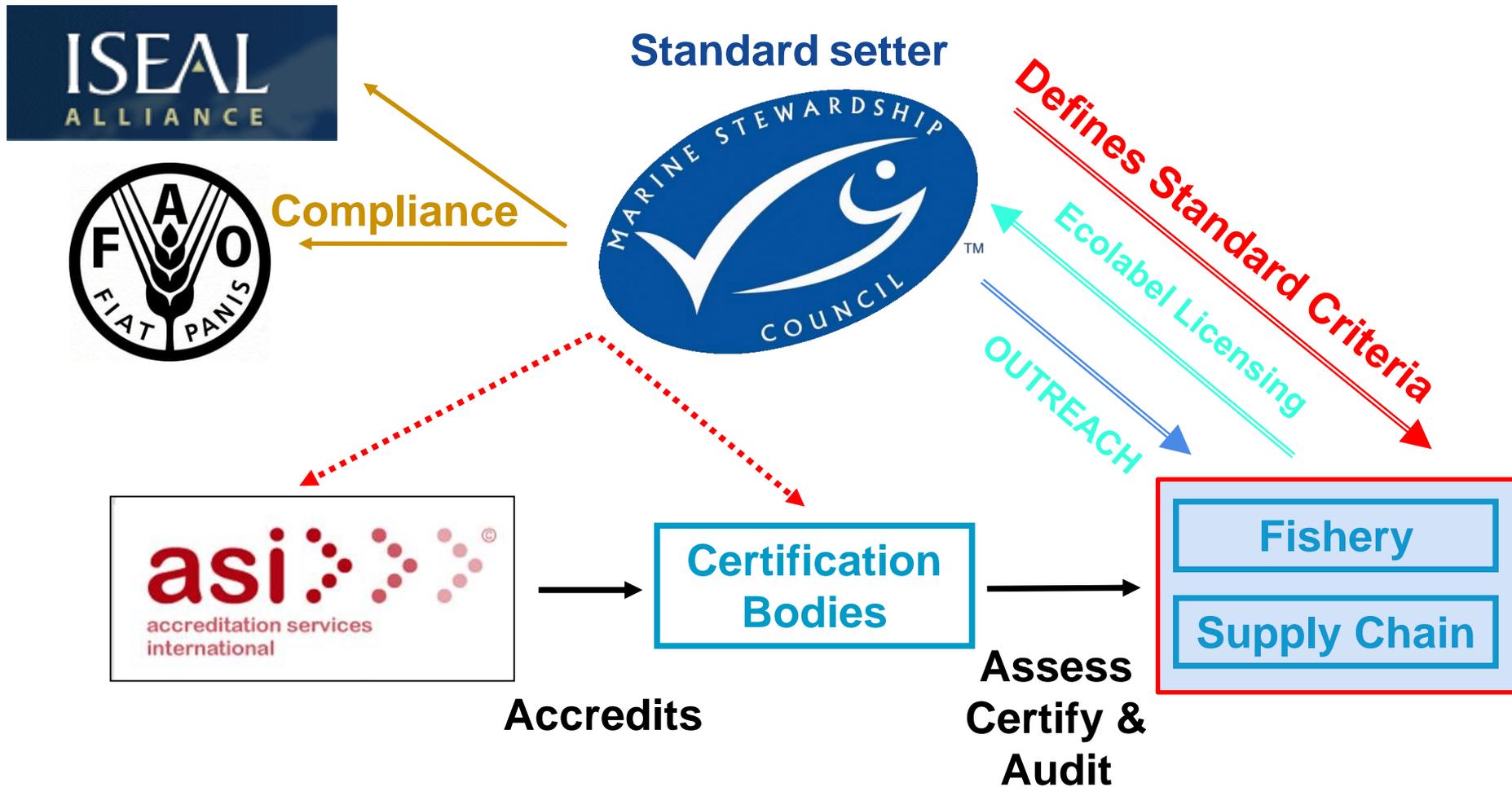
Consumers preferentially purchase seafood with the MSC ecolabel

Market demand for MSC certified seafood increases

More fisheries choose to improve their practices and volunteer to be assessed against the MSC standard

**How the MSC works with fisheries, suppliers and retailers to encourage a more sustainable seafood market**

# MSC Credibility (and complexity)



# Roles and responsibilities



## **MSC**

- sets the standards for the fishery and supply chain and the procedural requirements for certification

## **Conformance Assessment Body (CAB):**

- audits fisheries and companies in the supply chain against the Standard

## **Accreditation Services International (ASI):**

- verifies that CABs meet the certification requirements

## **MSC Incorporated:**

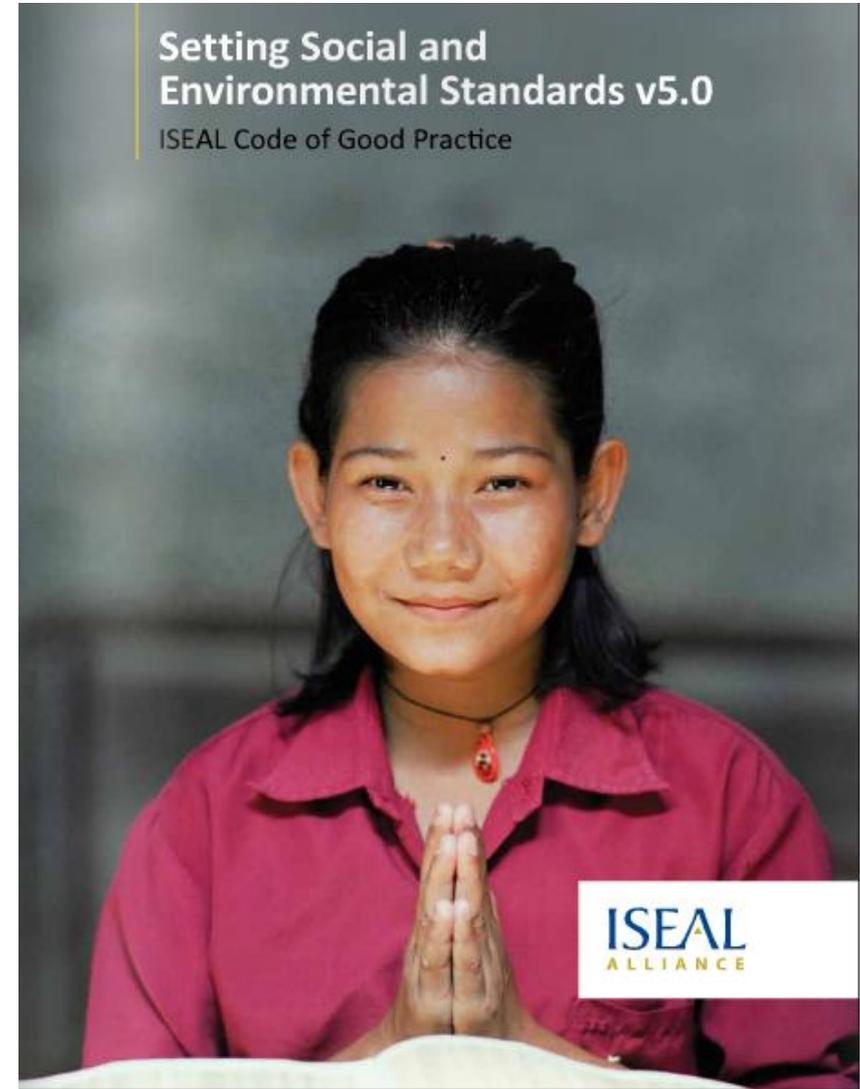
- issues licenses for use of the MSC ecolabel and approves packaging designs

# Where the MSC sets its sail



## Consistent with international norms

- **FAO code of conduct**
- **FAO ecolabelling guidelines**
- **ISEAL (International Social, Environmental, Accreditation and Labelling Alliance)**
  - Standard setting code
  - Impacts code
  - Assurance code
- **ISO 17065**
  - Requirements for CABs
- **ISO 19011**
  - Auditing guidelines
- **ISO 17067**
  - Standard setter guidelines



# ISEAL Credibility Principles



SUSTAINABILITY

Sustainability



IMPROVEMENT

Improvement



RELEVANCE

Relevance



RIGOUR

Rigour



ENGAGEMENT

Engagement



IMPARTIALITY

Impartiality



TRANSPARENCY

Transparency



ACCESSIBILITY

Accessibility



TRUTHFULNESS

Truthfulness



EFFICIENCY

Efficiency

# The MSC Fisheries Standard



**1**

The sustainability of stock

**2**

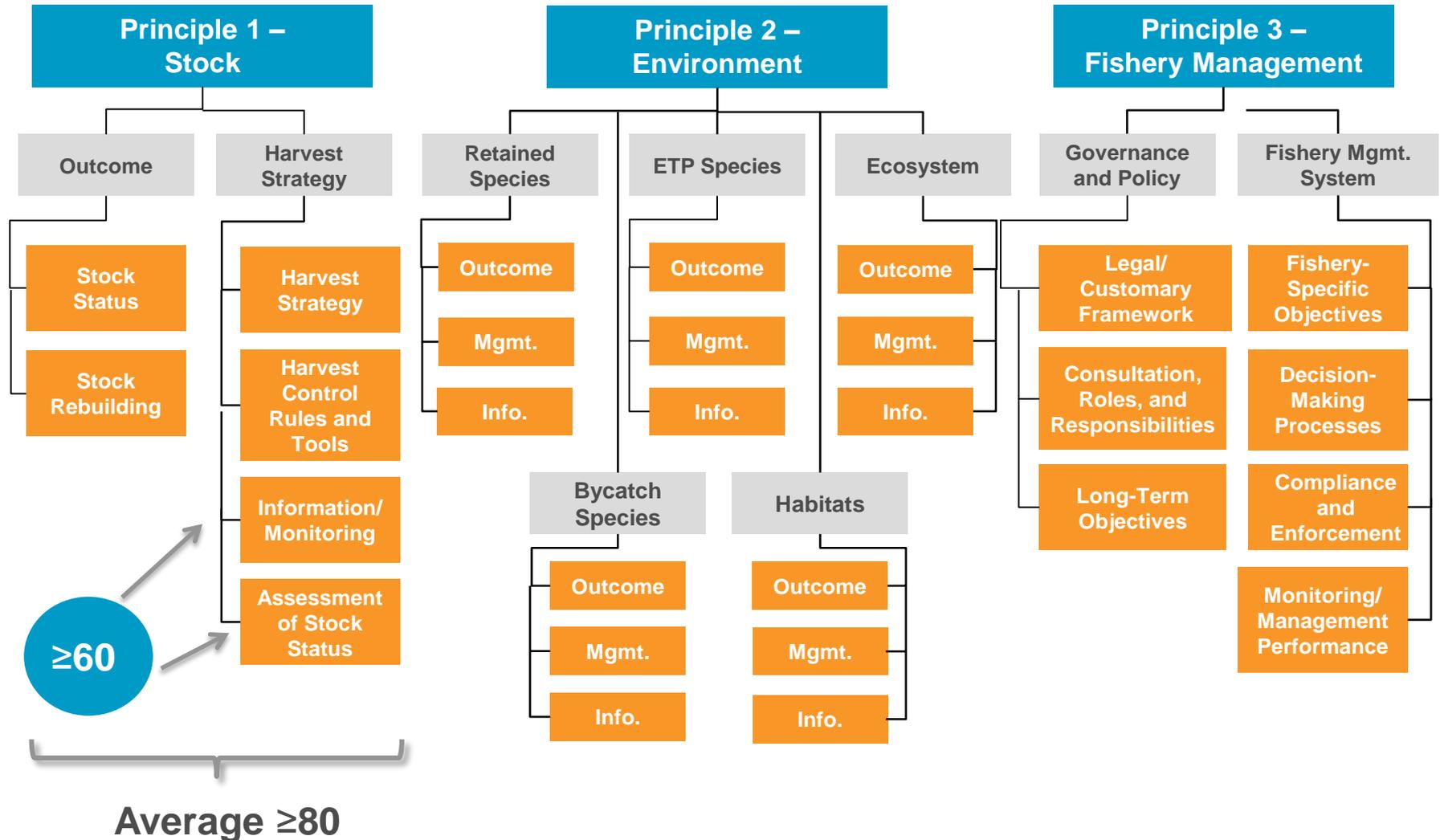
Ecosystem impact

**3**

Effective management



# Standard Assessment Tree



# Scoring Guideposts in Assessment Tree



Component	PI	Scoring issues	SG60	SG80	SG100
Outcome	1.1.1 The stock is at a level which maintains high productivity and has a low probability of recruitment overfishing.	(a) Stock status relative to recruitment impairment	It is <b>likely</b> that the stock is above the point where recruitment would be impaired (PRI).	It is <b>highly likely</b> that the stock is above the PRI.	There is a <b>high degree of certainty</b> that the stock is above the PRI.
		(b) Stock status in relation to achievement of Maximum Sustainable Yield (MSY)		The stock is at or fluctuating around a level consistent with MSY.	There is a <b>high degree of certainty</b> that the stock has been fluctuating around a level consistent with MSY or has been above this level over recent years.

Each PI has three scoring guideposts (SGs) – 60, 80, and 100 – which are benchmark levels of performance.

# Scoring Issues in Assessment Tree



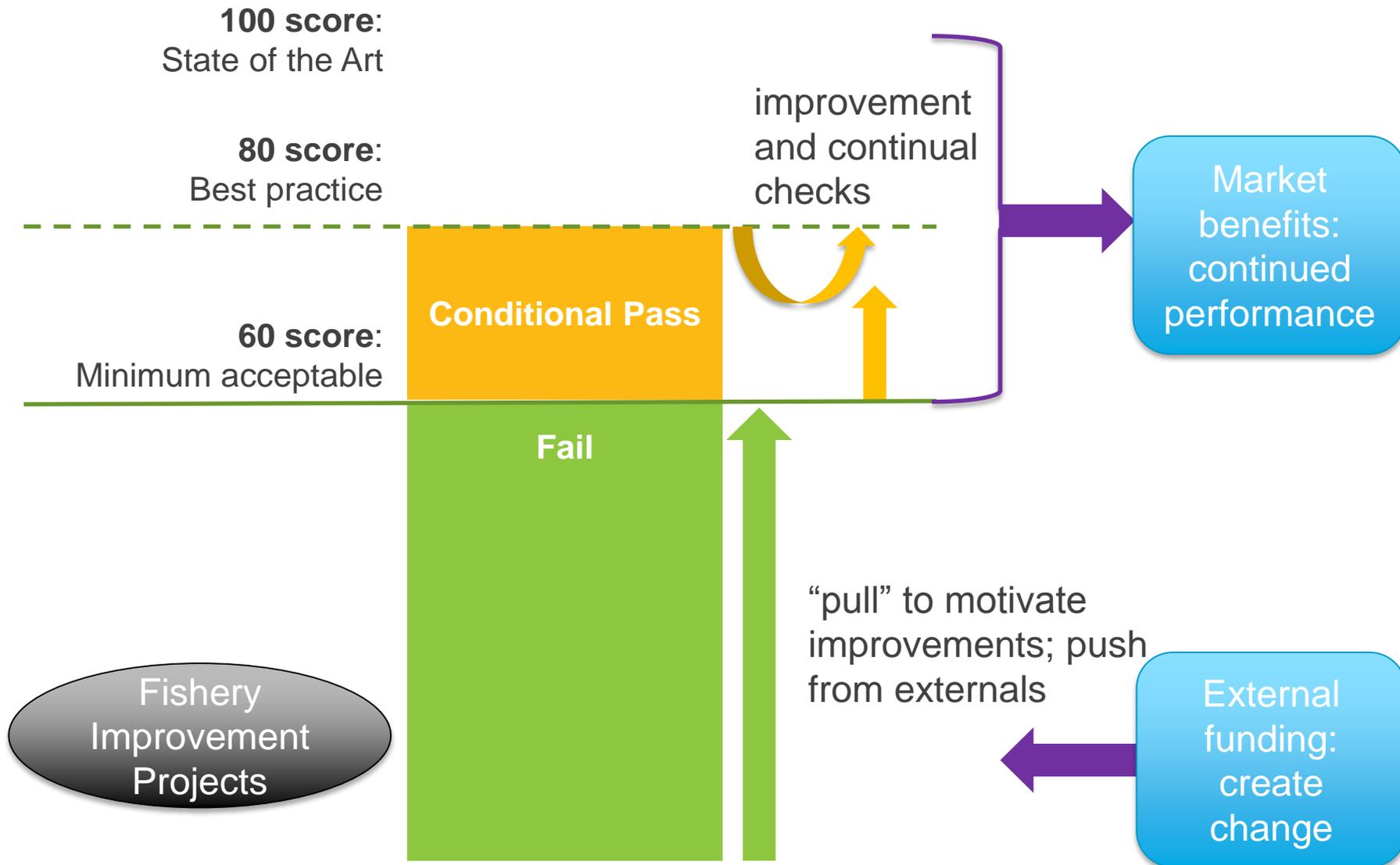
Component	PI	Scoring issues	SG60	SG80	SG100
Ecosystem	Information/ monitoring  2.5.3  There is adequate knowledge of the impacts of the UoA on the ecosystem.	(a) Information quality	Information is adequate to <b>identify</b> the key elements of the ecosystem.	Information is adequate to <b>broadly understand</b> the key elements of the ecosystem.	
		(b) Investigation of UoA impacts	Main impacts of the UoA on these key ecosystem elements can be inferred from existing information but <b>have not been investigated</b> in detail.	Main impacts of the UoA on these key ecosystem elements can be inferred from existing information and <b>some have been investigated in detail</b> .	Main interactions between the UoA and these ecosystem elements can be inferred from existing information and <b>have been investigated in detail</b> .
		(c) Understanding of component functions		The main function of the components (i.e., P1 target species, primary, secondary and ETP species and habitats) in the ecosystem are <b>known</b> .	The impacts of the UoA on P1 target species, primary, secondary and ETP species and habitats are identified and the main functions of these components in the ecosystem are <b>understood</b> .
		(d) Information relevance		Adequate information is available on the impacts of the UoA on these components to allow some of the main consequences for the ecosystem to be	Adequate information is available on the impacts of the UoA on the components <b>and elements</b> to allow the main consequences for the

# Scoring Elements



Component	PI	Scoring issues	SG60	SG80	SG100
Primary species	Outcome Status  2.1.1  The UoA aims to maintain primary species above the point where recruitment would be imparted (PRI) and does not hinder recovery of primary species if they are blow the PRI.	(a) Main primary species stock status	Main primary species are <b>likely</b> to be above the PRI.  OR  If the species is below the PRI, the UoA has measures in place that are <b>expected</b> the ensure that the UoA does not hinder recovery and rebuilding.	Main primary species are <b>highly likely</b> to be above the PRI.  OR  If the species is below the PRI, there is either <b>evidence or recovery</b> or a demonstrably effective strategy in place <b>between all MSC UoAs which categorise this species as main</b> , to ensure that they collectively do not hinder recovery and rebuilding.	There is a <b>high degree of certainty</b> that main primary species are above the PRI <b>and are</b> fluctuating around a level consistent with MSY.
		(b) Minor primary species stock status			For minor species that are below the PRI, there is evidence that the UoA does not hinder the recovery and rebuilding of minor primary species.

# MSC Theory of Change



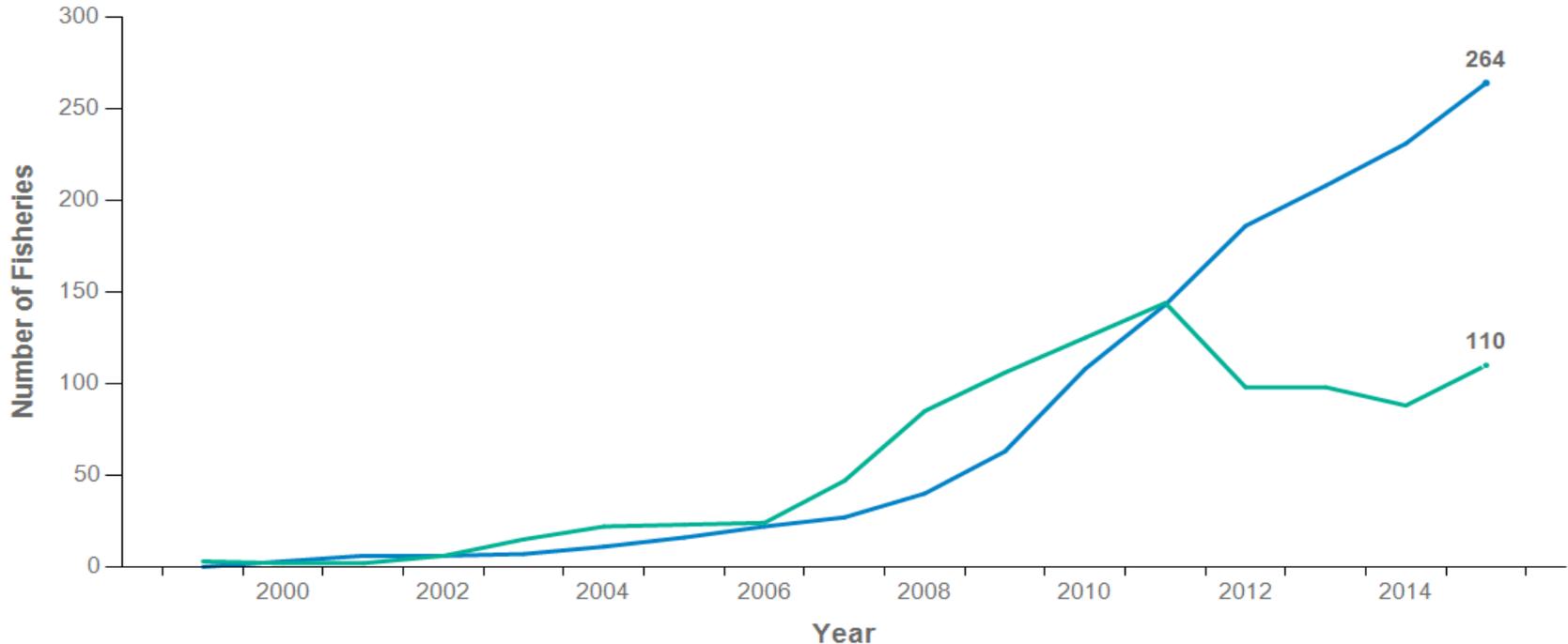
# The Fishery Assessment Process



# Fishery participation over time

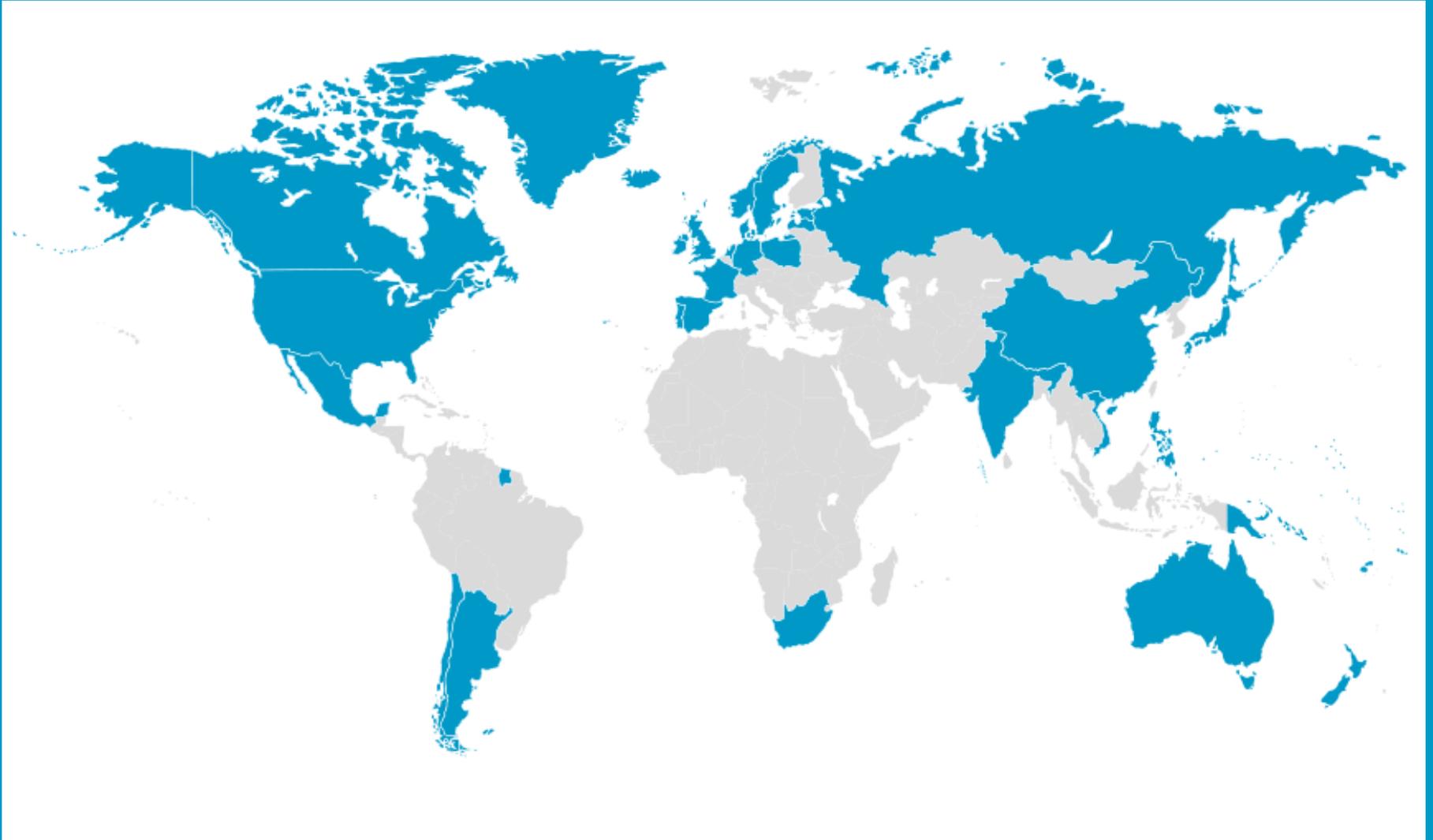


About 12% of global fishery production is MSC engaged



Certified	~ 9,000,000 tons	270 fisheries
In assessment	~ 2,500,000 tons	106 fisheries
<b>Total</b>	<b>~ 11,500,000 tons</b>	<b>376 engaged</b>

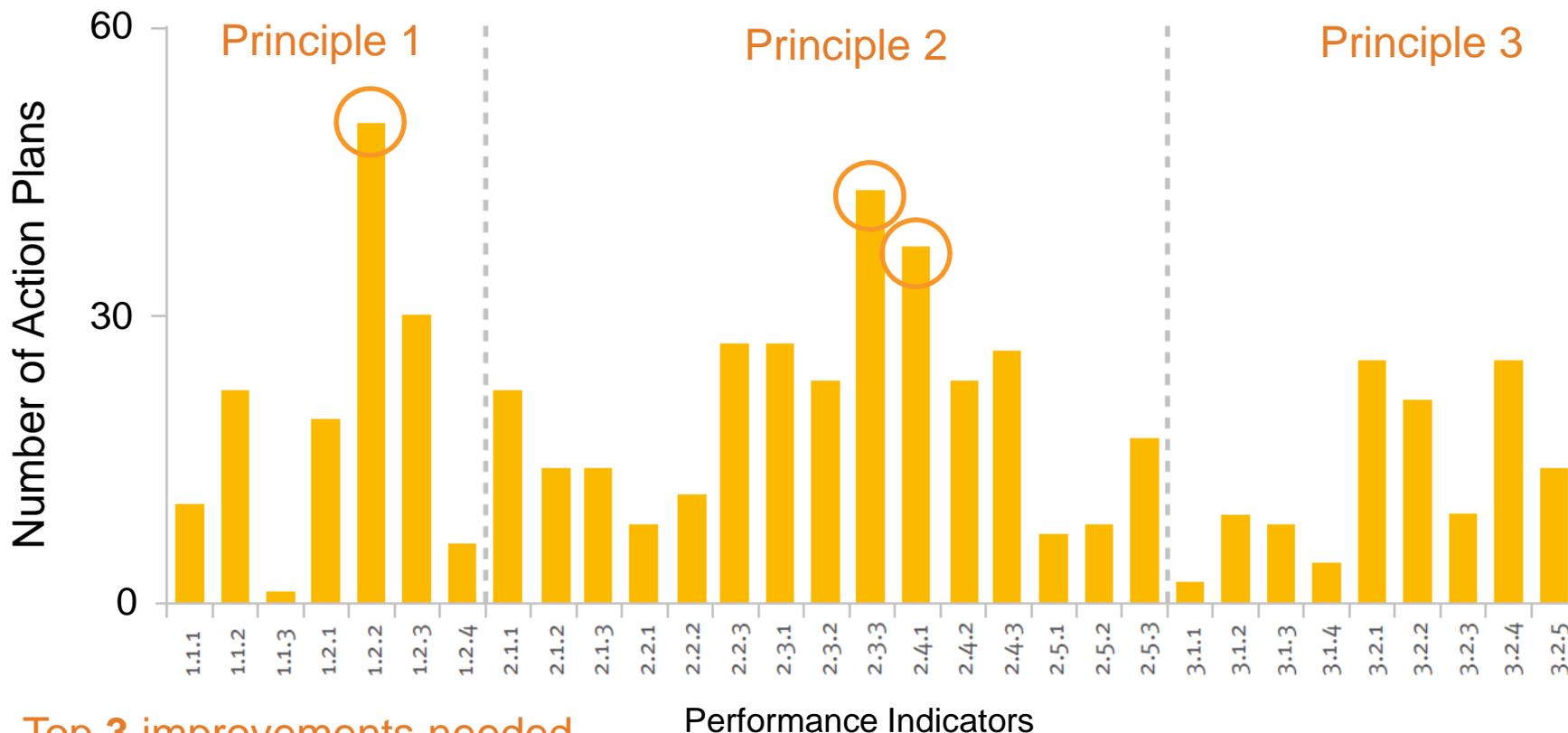
# Countries where fisheries are engaged in the MSC program



# Environmental impacts



➤ **615 improvements** have been completed by MSC certified fisheries since 2000 with a further 532 expected by 2020



## Top 3 improvements needed

## Performance Indicators

1.2.2- Harvest control rules  
And tools

2.3.3- Information on  
Endangered, Protected and  
Threatened species

2.4.1- Habitat status  
(Outcome)

# MSC labelled products



- 19,200 MSC consumer facing labeled products
- 608,000 tons (+14%)
- Estimated US\$ 4,5 billion spent by consumers on MSC labelled products

# Principles of the CoC Standard



## Supply chain traceability

To supply MSC certified seafood, processors, retailers and restaurants must comply with the **MSC Chain of Custody Standard**.

MSC certified seafood cannot be mixed with uncertified product and can be traced back to a certified fishery.

Consumers have assurance that only seafood from an MSC certified fishery can carry the blue MSC ecolabel. DNA testing of random seafood samples confirms this.

## 5 Principles

1. The organization shall have a management system
2. The organization shall operate a traceability system
3. There shall be no substitution of certified products with non-certified products
4. There shall be a system to ensure all certified products are identified
5. The organization shall purchase from a certified supplier



## Systems & Records

- Buy certified fish from certified suppliers
- Keep it separate – know where it is
- Label it properly
- Only sell MSC fish as MSC fish

## Role of the CAB – auditor:

1. Initial/annual audit:
  - *Check management documents*
  - *Products identification*
  - *Records traceability and volume reconciliation*
  - *Interviews*
2. Non-conformities raised and addressed
3. Certification decision
4. Update MSC database and MSC find a supplier



# The auditor role in MSC



## Fisheries Certification

- CABs employ Project Leaders
- CABs employ or contract with Expert Team Members for each principle or occasionally combine project role with a principle
- CABs contract with peer reviewers

### Challenges:

- Meeting auditor competency requirements including minimum experience and knowledge of the area/species without breaching conflict of interest
- Managing schedules and budgets in fluid processes

**NEW:** MSC Peer Review College

## Chain of Custody Certification

- CABs employ experts, occasionally contract consultants

### Challenges:

- Meeting cost expectations of supply chain companies
- Timely delivery and turn-around



# MSC's Online Training Platform



## Mandatory for all project leaders, fisheries' experts and CoC auditors

- 9.5 hours of training material
- Launched March 2013
- Translation into 5 languages

## Why?

### Verify CAB competencies

- ISEAL Assurance Code
- Increased consistency and efficiency
- Increased confidence in audit personnel

### Reduce non-conformities and costs

### Increase accessibility

**Built-in tests ensure competency,  
- max 3 attempts, 3 year renewal**



# MSC engagement in Canada



## Commercial highlights - 2015

### Retail – over 500 products carry the ecolabel in Canada

- Loblaw companies, Sobeys, Walmart, Overwaitea, Costco, Whole Foods, others

### Restaurants

- Chain: McDonald's, Bento Sushi, more needed. Independent: an announcement soon

### Universities

- McGill and Dalhousie, 14+ anticipated

### Contract catering

- Sodexo, Aramark and Compass, interest developing

### Broadline foodservice distribution

- GFS - 8 sites, Sysco - 17 sites (in pipeline)

### Specialty seafood distribution

- Major seafood market cities covered by biggest seafood specialty distributors (e.g, Albion, Seacore, Norref, A.C Covert, Maximum, many more)

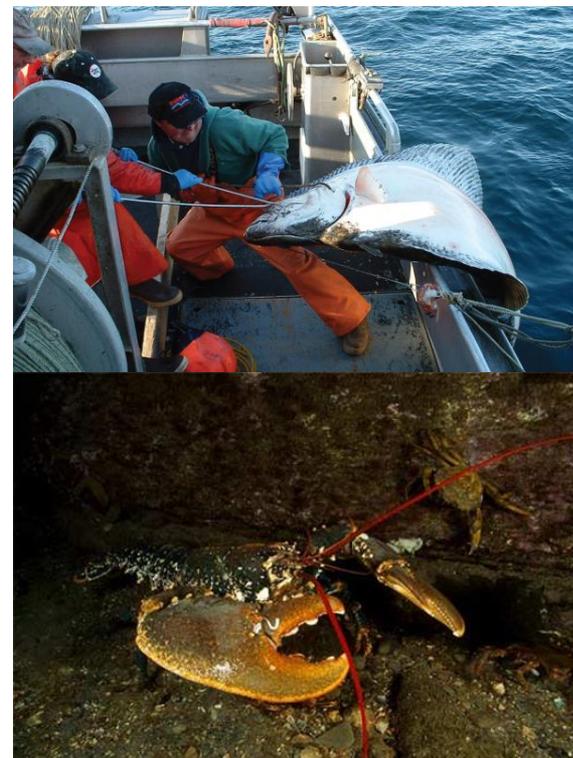
### Branded processing/sales

- High Liner, Clearwater, OCI, Canfisco, Janes, Aqua Star, Toppits, more
- Over 700 products from Canadian companies carry the ecolabel globally

### Primary processing / fishery – lots!

## Canadian certified fisheries and in full assessment details

- Northern shrimp – 2008
  - Lobster – 2009 , 2013, 2014, 2015 (95%+ Canada)
  - Scallops – 2010
  - Haddock – 2010
  - Yellowtail flounder – 2010
  - Swordfish – harpoon 2010, longline 2012
  - Snow crab – 2012
  - Surf clam – 2012
  - Atlantic halibut – 2013
  - Herring, Gulf NF – 2014
  - Pacific halibut – 2009
  - Whiting – 2009
  - Albacore tuna – 2010
  - Salmon – Sockeye 2010, pink 2011, chum 2013
  - Lake Waterhen pickerel and pike – 2014
  - Lake Erie yellow perch and pickerel – 2015
- In full assessment – Redfish, additional more herring, Nfld 3Ps cod



Total 2013 fishery landings =  
848,714 mt (increased 4.5% from 2012)  
**67% is certified or in full assessment**

Total 2013 fishery value =  
CAD \$ 2.296 billion (increased 5.9%)  
**78% is certified or in full assessment**

# Thank you

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