

SAMUDRA Dossier

# Labels or Fables? The Myth of Sustainability

A collection of articles from *SAMUDRA Report*



SUDANESE GOVERNMENT / FAO



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**International Collective in Support of Fishworkers**  
[www.icsf.net](http://www.icsf.net)

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A collection of articles from SAMUDRA Report

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# Sticky labels

Brian O’Riordan

**Given the various contesting views expressed, the FAO’s recent Technical Consultation on ecolabels may well have come unstuck**

The FAO held a three-day Technical Consultation on the Feasibility of Developing Non-Discriminatory Technical Guidelines for Ecolabelling of Products from Marine Capture Fisheries from 21 to 23 October 1998. The Consultation was supported by the Nordic Council whose sponsorship was based “on the realisation that the present ecolabelling schemes in the fisheries sector do not fulfil the requirements of transparency and credibility, and, on a global level, this can only be achieved through a process through the FAO”.

However, after three days of debate, such a process has still to get off the ground. Latin American countries, led by Mexico, argued that FAO has no competence in this area (ecolabels and other technical barriers to trade). Rather, this area must be dealt with exclusively under the auspices of the World Trade Organization (WTO).

At the root of this intransigency is Mexico’s recent bitter conflict with the US over ‘dolphin-friendly tuna’. Despite winning the battle in GATT, Mexico lost the tuna war which severely set back its tuna industry. This, and the subsequent experience with the Turtle Excluder Device (TED) issue, underpinned Mexico’s strategy at this meeting. This seemed designed to prevent any discussion of the substantive issues around the development and application of ecolabelling schemes. They were supported by many of the delegates from developing countries, who felt that ecolabels would discriminate against their fisheries products, and wreck their precarious but highly valuable export markets.

Protagonists and observers alike at the FAO Consultation shared a certain familiarity with the debate, and they all felt a certain inevitability about its outcome. For Johan Williams, Director General of the Norwegian Directorate of Fisheries, the sense of *deja vu* was coupled with acute chagrin. At the 1997 FAO Committee on Fisheries (COFI) meet, after a confused and vitriolic debate about ecolabels and the Marine Stewardship Council (MSC), the Norwegians had generously offered to host a workshop on ecolabels. This offer was strongly rejected. They must have, therefore, been highly disappointed to see this FAO initiative, funded by the Nordic Council, flounder.

For others working on the MSC, like the World Wide Fund for Nature (WWF) there was a feeling of wasted effort and wasted opportunity. In their view, the work undertaken over the last two years to establish the MSC, and their experience with the subsequent consultation process, are opportunities that the FAO could have benefited from.

This was not the view of the Nordic Council. In fact, it was the very founding of the MSC by Unilever and WWF that spurred this initiative. According to the Nordic Council’s brochure, the MSC was “without support and contribution from all interested parties, and as such, (is regarded as) a process with a lack of transparency and thereby lacking credibility within both the fisheries sector and governments”. Others also questioned how genuinely participatory the MSC consultation process had been.

This report filed by Brian O’ Riordan, Fisheries Adviser, Intermediate Technology Development Group, UK, and a member of ICSF, appeared in SAMUDRA Report No. 21

### • Involving stakeholders

• Genuine consultation should not merely involve informing stakeholders of an already devised scheme and the approval criteria. Stakeholders should also be involved in the process of establishing ecolabelling schemes and setting the criteria they felt. Since 1996, the Nordic Council has, therefore, been researching the scope and for raising awareness about ecolabels for marine products.

• According to the Nordic Council, "...the World Community has to be involved (with the development of ecolabels) in order to establish an alternative, transparent and democratic strategy on ecolabelling within the fisheries sector". They targeted FAO "as the obvious international organization to undertake the necessary work related to ecolabelling of fish and fish products on a global level". This view proved not to be shared by many others.

• The Latin American position was based on the premise that there should be no obstacles to trade, and participants felt that ecolabels could represent a significant barrier. In this regard, they believe that ecolabelling should be the responsibility of the WTO, which has competence in this area, rather than FAO, and which leads the development of policy and guidelines on ecolabels and other technical barriers to trade. Latin American participants also felt that there could be a risk of duplicated and wasted effort if both organizations were to work on the same subject.

• From FAO's perspective, there was no such risk. In fact, the respective roles of the two organizations were complementary. The FAO, with its specific competence in fisheries, and the WTO, with competence on trade-related matters, could usefully work together to develop guidelines for ecolabels.

• There were many delegates who supported this view, and who felt that the FAO's

Code of Conduct for Responsible fisheries provided all the criteria required for developing technical guidelines for a universal ecolabelling scheme for products derived from marine capture fisheries. Other substantive issues discussed included:

Should guidelines for ecolabelling schemes be voluntary or binding? Generally, it was felt that as the Code of Conduct was voluntary in nature, guidelines for ecolabels should also be voluntary.

Norway observed that the whole purpose of ecolabels was to promote better production processes and to improve the environment. Ecolabels must be voluntary, and it would be up to the actors and stakeholders to decide whether or not to participate.

### • Universal standards

However, while participation should be entirely voluntary, there should be standards which were universally applicable. It should be up to the FAO to develop these standards. It was also felt that any efforts by FAC in this area should take into account ongoing relevant work by other organizations. Also, in developing guidelines, the procedures adopted by the Codex Alimentarius Commission should be considered.

Should ecolabel certification apply to management processes or to the outcome of those processes? As consumers tend to be more concerned with the status of resources than with management processes, some delegates felt that greater emphasis should be placed on this aspect—a potentially good but failed management process was no use. However, given the need to protect the rights of small-scale fishers in such schemes, others felt that criteria must also be developed for responsible management. Criteria based on a product alone could discriminate against small-scale fisheries in developing countries, where issues of access and control over resources are key to sustaining small-scale fisheries. Sustainability can not be achieved by management

alone: responsible management must be promoted, but management must also achieve positive results. The development and application of criteria for fisheries management should, therefore, also incorporate a review process which monitors the results of its implementation.

Should ecolabelling have a purely scientific basis or should it incorporate socioeconomic criteria? This issue was hotly contested by several governments which felt that the inclusion of socioeconomic criteria might undermine national sovereignty. In their view, setting socioeconomic objectives for fisheries was a national responsibility, while the scientific basis for fisheries management was established by international law (UNCLOS, etc).

### Costs and benefits

Who would bear the costs, and who would reap the benefits of ecolabelling schemes? There was a great deal of uncertainty as to whether the costs of ecolabelling schemes would just be passed on to fishers, and would simply result in an increase in the transaction costs of fisheries, without leading to any net gains. There was also concern that ecolabelling schemes might hamper domestic food security.

Ecolabels could not be the primary instrument for achieving sustainable fisheries. Greater emphasis needed to be given to implementing the Code of Conduct for Responsible Fisheries.

Within the FAO itself there was a great deal of soul searching. Had the Consultation been a complete disaster, and what could be salvaged? In the process, the FAO Secretariat may have been wounded, but had “fought and run away, and would live to fight another day”. The effort put into the preparations for this meeting was apparent in the excellent quality of the background papers provided. This was widely noted and appreciated by delegates to the Consultation. However, no decision could be taken on the status

of these papers. Some people felt that they could become ‘working papers’, but even this opinion was far from universal.

Within the FAO, there was also some doubt as to the status of any guidelines which might be developed. Would technical guidelines be subordinate to the Code of Conduct for Responsible Fisheries, or would they have some separate status? In any case, any technical guidelines must be consistent with, and not contradict, the Code of Conduct. Also, if the FAO did not take an initiative on ecolabels for fisheries, it was hard to see who else would. In any case, with or without the FAO ecolabelling schemes were bound to come up in the private sector.

Other unresolved issues included: how to address sustainability in multi-species resources through ecolabelling schemes; how ecolabelling schemes should define stock; and how to establish an institutional framework responsible for ecolabelling schemes.

Clearly, the way forward is not simple. A great deal of work remains to be done, if ecolabelling schemes are to become a tool of significant potential for sustaining fish stocks. The subject will be raised again at the next FAO Committee on Fisheries meeting in February 1999. By then, it is possible that some new players with some alternative schemes may have emerged on to the scene. The International Union for the Conservation of Nature and Natural Resources—The World Conservation Union (IUCN) is said to be considering developing ecolabels based on its existing Red and Green lists. Also, some German NGOs are developing criteria for social labelling in fisheries.

It is also interesting to note that two key people involved in establishing the MSC are changing their jobs. At the end of December, Carl-Christian Schmidt will return to the OECD, and his post as Manager is to be replaced by the new post

## How to do it

The FAO's Technical Consultation on the Feasibility of Developing Non-Discriminatory Technical Guidelines for Ecolabelling of Products from Marine Capture Fisheries came up with some guidelines:

There was unanimous agreement that if guidelines were to be developed for ecolabelling, then the criteria should be based on the FAO's Code of Conduct for Responsible Fisheries, and these should include all the relevant paragraphs of the Code. It also proposed the following principles for ecolabelling:

- They should be voluntary in nature.
- They should be non-discriminatory and ensure fair competition
- Promoters and certifying bodies of ecolabelling schemes should be accountable.
- There should be independent auditing and verification procedures.
- They should not disadvantage

producers and exporters from developing countries.

- They must recognize the sovereign rights of States and adhere to all relevant laws and regulations.
- They should have safeguards in place to avoid the generation of perverse effects, such as the transfer of additional fishing capacity to already overexploited resources.
- They must ensure equivalence between certified products from different sources.
- They must be based on scientific principles.
- The criteria must be verifiable, measurable and able to be tracked from capture to consumer.
- They should be practical and feasible.
- They should meet consumers requirement for meaningful, reliable and adequate information.

of MSC Director. Also, WWF and the MSC will bid goodbye to Mike Sutton, the Director of WWF's Endangered Seas Campaign and a leading protagonist in the MSC initiative. In this context, it may be pertinent to wonder whether this is a case of a sinking ship or of new hands at the tiller. Wherever the MSC goes, and whoever is at the tiller, the tremendous achievements of the project in raising awareness about ecolabels for fisheries products must be recognized and applauded—even by those who have criticised the process adopted.

**Not the end**

And whatever happens elsewhere, this is far from the end of the ecolabelling debate. Although the definitive glue has yet to be invented that will make ecolabels stick for good, there is no shortage of ideas on what should be put on them.

Also online at:



<http://www.icsf.net/SU/Sam/EN/21/art07.pdf>

# A fish by any other name...

*SAMUDRA Report* Comment

The issue of ecolabels, especially for marine products, is turning out to be quite a pretty kettle of fish. Take the case of the Marine Stewardship Council (MSC), a baby born of two mighty parents, Unilever and the World Wide Fund for Nature (WWF). Though it began its accreditation scheme last year, it is yet to demonstrate its clout in the markets of Europe and the US. Nonetheless, both Northern and Southern fish exporting countries are concerned about its potentially adverse impacts.

Developing countries, in particular, are keen that ecolabels do not become yet another barrier of entry into the lucrative fish markets of the North. But they can not make up their minds on whether FAO or WTO is indeed the appropriate forum to discuss technical guidelines for ecolabelling. While some countries are inclined towards an inclusive consultation within the FAO, several others would prefer to use the WTO forum. Countries like the US would like such matters to be left to the private sector.

For all the fears expressed, it is, however, difficult to imagine that access to Northern markets would be seriously affected by ecolabelling schemes. There are good economic opportunities for developing countries to cater to markets for ecolabelled fish, especially for fish caught by selective gear and practices, as well as for fish that originate from healthy stocks. Ecolabelling would only create a differentiated market where the labelled products would fetch a premium, compared to unlabelled products.

The North depends on the South for fish such as tuna, shrimp, lobster, cuttlefish and squid. Their markets can not turn too restrictive because, unlike in agriculture and forestry, the South boasts of a resource which the North can not easily substitute with its own products. However, even if only a small fraction of the exports are sold under ecolabels, the revenue from such niche markets could enhance foreign exchange earnings and lead to better living standards in fishing villages. The artisanal and small-scale fishworkers who use selective gear and practices are likely to benefit most from ecolabelling schemes since their fishing methods are regarded to be the most environment-friendly.

For these reasons, developing countries should get actively involved in developing appropriate criteria for ecolabels. But whether WTO or FAO is the more appropriate forum to discuss ecolabelling is an important issue. FAO seems to be better placed for several reasons. First, unlike WTO, it is competent in fisheries matters. Second, it enjoys the trust of developing countries and seems to be still dominated by their interests. And third, unlike WTO, it could provide a better meeting ground for producing and consuming countries as well as other stakeholders in fisheries.

Even if countries would like to keep their options open to challenge unacceptable ecolabels, it may be difficult to question private ecolabelling initiatives at WTO, if these comply with the provisions of multilateral instruments in fisheries. This is because the Agreement on Technical

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This editorial comment appeared in SAMUDRA Report No. 22, April 1999

· Barriers to Trade (TBT) may not find  
· the application of such multilateral  
· instruments an act of discrimination.  
· Moreover, the ruling of an earlier  
· GATT arbitral panel which upheld the  
· dolphin-safe' tuna labelling scheme in the  
· us indicates that voluntary private  
· ecolabelling schemes are unlikely to be  
· challengeable at WTO, as long as they do  
· not discriminate between domestic and  
· foreign products. If unilateral private  
· initiatives, where governments and  
· producers have little say, are already  
· imminent, and can not be easily  
· influenced, wouldn't it be wiser to initiate  
· an inclusive process to develop guidelines  
· for ecolabels? Countries could ensure  
· that their concerns are taken into account  
· while developing the criteria for ecolabels.  
· If this opportunity to set the agenda were to  
· be missed, the net result would perhaps be  
· a forced compliance with private, exclusive  
· ecolabelling standards. That may not be in  
· the best interests of developing countries in  
· the long run.

Also online at:



<http://www.icsf.net/SU/Sam/EN/22/edit.pdf>

# Thames up or thumbs down?

Michael Earle

**The certification of the Thames-Blackwater herring drift-net fishery of the UK by the Marine Stewardship Council has been far from rigorous**

On 5 September 2000, the Marine Stewardship Council (MSC) certified the Alaska salmon fishery as sustainable and thus eligible to carry the MSC label. This is the third such certification, following those for Western Australian rock lobster and the Thames-Blackwater herring drift-net fishery in the UK.

This decision by the MSC piqued my curiosity, for, like many in the fisheries world, I had been watching developments with interest. I decided to look into one of these in more detail, choosing the herring fishery, as it is relatively small and close to where I live. On the MSC website ([www.msc.org](http://www.msc.org)), I found a document entitled *Fisheries Certification-Public Summary Report*, dated 1 July 1999.

The paper explains that the Thames-Blackwater herring is a small but unique stock of spring-spawning herring, which is fished in the Greater Thames Estuary. Following the decline of the North Sea herring stock, increased effort was exerted on the stock, with catches peaking at 606 tonnes in the 1972-73 season. The fishery had to be closed in the winter of 1979-80, but was reopened some time after 1981.

It is an extremely small fishery, with recent total allowable catches (TACs) of 131 tonnes (1998) and 128 tonnes (1999). The MSC certification is for the fish taken by small drift-nets, mostly less than 10 m, though the stock is also fished by Belgian and French-flagged pair trawlers operating immediately to the south of the Drift-net Regulatory

Area. Various controls, such as time and area closures, have been implemented.

As I read the rest of the report, discussing a series of other aspects of the fishery, a few points struck me as noteworthy. The Public Summary Report states:

*During hauling it was observed that gilled fish were within a narrow range of sizes; specimens that were significantly larger or smaller than this narrow size-class range were dropped from the net and those alive swam away as the net was lifted from the water. The gear employed appears to be size-selective.* [Section 2.1]

*No documentation exists on by-catch and discards. For the operation that was observed, by-catch was limited to 12 fish for three fleets [about 1200 m] of drift-nets fished over the course of four hours, with a total of 80 stone [509 kg] of herring taken. Of these, eight were pouting, two were whiting and two were codling. All were discarded to sea.* [Section 2.2]

The anecdotal observations described above do not constitute a proper analysis of gear selectivity and discards—this would require a scientifically designed programme of observation of species composition, measurement of length frequencies, etc. The report does not even state what was the “narrow size-class range”, nor does it mention when the observations were made nor how many vessels were sampled; by-catch is known to vary widely from place to place and season to season. The scientific authority, CEFAS, does conduct sampling

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This article by Michael Earle (106603.344@compuserve.com) Advisor, Green Party, European Parliament, appeared in SAMUDRA Report No. 27.

of length frequencies, but these seem not to have been used in the certification.

**No logbook**

*Since most of the herring drift-netters are less than 10 m, they are not required to submit a formal logbook. However, they are required, as a drift-net licence condition, to submit simple catch forms to the local MAFF officer. The form provides details of the vessel and skipper, and an estimate of the landed catch of Thames estuary and Southern North Sea herring. No cross-correlation of landings data is undertaken. All landings are estimates, since no physical weighing is conducted, and, in fact, the scales at West Mersea [ a major landing site] were inoperable at the time of visit. [Section 2.3]*

Reliable catch data are of fundamental importance to stock assessment and, therefore, fishery management. The approach described here is rather casual, with no verification of landings, so it is difficult to know how reliable are the data provided by the fishermen.

At present, the TAC consists of the total catch recommended for Thames herring plus a small amount of North Sea (Downs) herring. It is set solely to conserve the stock. No technical document was available of the stock assessment. Effort is not directly recorded, and by-catch and discards are not recorded at all. [Section 3.2]

With no technical document to explain the assessment, it is impossible to verify its reliability. This is compounded by the problem of the quality of landings data. Although the stock assessment takes full account of all catches from the previous year of this stock, Thames Estuary herring caught outside the drift-net box, by the mid-water pair trawling fleet off the Kent coast, are not counted against the TAC as the season progresses. In the 1997/8 season, 50 per cent of the catch was taken outside the regulated area.

Once the TAC is met, the drift-net fishery is closed. However, because the TAC does not cover all the catch from this stock, the TAC alone cannot guarantee to limit fishing mortality to the required level. [Section 3.2]

The fact that all catches are not counted against the TAC is a very serious problem. Although the report notes that there is little demand for the fish at present, were demand to increase due to the MSC label, the situation as described here could result in double the TAC being taken before it is realized. As effort is neither controlled nor directly recorded, it is, at present, impossible to control the fishery by that means either. Other sections of the report describe monitoring and control, social and environmental impacts of the fishery, ghost fishing and other aspects. The report then summarizes all of the above information and lists a series of strengths and weaknesses of the fishery.

Among the aspects of the fishery which I have included in this note, the following are considered by the MSC to be strengths:

- the stock assessment is extensive, given the small size of the fishery, and the data appear to be good, even though dependent upon voluntary contribution by fishermen;
- the TAC is based securely on the scientific assessment and appears well-enforced;
- the fishing method appears highly selective, with small by-catch and discards;
- the Herring Management Committee provides an important forum for co-management. Nonetheless, information contained in the report directly contradicts some of these perceived 'strengths', as I have shown above. The weaknesses, according to the report, are as follows:

- the TAC does not cover catches of the stock outside the regulated area;
- the stock survey conducted for the assessment could be at the wrong time, adversely affecting its reliability;
- no cross-checking of data is conducted to verify landings;
- by-catch and discards are not recorded, and effort data are weak;
- the fishery is essentially open-access, as there is no legal limit to the number of vessels permitted to fish; and
- while the stock assessment is probably adequate, given the small size of the fishery, the lack of technical documentation is problematic.

The following were seen as “potential problems, but not currently a hurdle to certification:”

- the management and administration of the fishery is subsidized;
- no account is taken of the socioeconomic situation when the TAC is decided; and
- not all catches are properly recorded.

As a result of these weaknesses, six Minor Corrective Action Requests (CAR) were issued, which must be acted upon by 1 October 2001. One Major CAR was issued, relating to the inability of the Ministry of Agriculture, Fisheries and Food to effectively close the fishery when the TAC is reached, as catches by the pair trawlers outside the Driftnet Regulatory Area are not counted against the TAC during the season. The Kent and Essex Sea Fisheries Committee was then to develop a two-year programme to correct this, by 1 October 2001. The Report concludes that “*the outstanding Minor Corrective Action Requests do not preclude certification*” and the fishery has been certified to carry the MSC logo for a period of five years from 3 March 2000.

The MSC considers this to be a well-managed fishery, which fulfills the Principles

and Criteria for Sustainable Fishery (which can be downloaded from [www.msc.org](http://www.msc.org)). As I read through the documents that have been posted, I was, however, struck by a number of what I can only describe as shortcomings in the management of the fishery (unverified landing data, no by-catch data, no formal management plan, no technical report on the stock assessment, etc.). The report makes reference to further information available elsewhere, such as a technical description of the method used for the stock assessment (but not the stock assessment itself) or a fuller report of the MSC assessment. In the interests of transparency, though, any essential information on the fishery, and the reasons for the MSC accreditation, should be contained in the Public Summary Report posted on the web. Additional information could elaborate upon, but not fundamentally change, the MSC assessment.

### One of the first

As the Thames-Blackwater herring fishery was one of the first to be certified by the MSC, I would have expected their examination to be extremely rigorous, so as to establish strict and commendable precedents. This is especially so for such a small fishery which should be easier to manage.

Now, though, other fisheries seeking certification can reasonably ask why they should produce verified landings data, a technical stock assessment report or information on by-catch and discards when one fishery without them has already been approved. Should further information on this fishery become publicly available, I would be only too pleased to consider it.

Also online at:

<http://www.icsf.net/SU/Sam/EN/27/art04.pdf>

# A small start

René Schärer

**An experiment in Prainha do Canto Verde tests the MSC's principles and criteria for community-based certification of a fishery**

The rich lobster fishery of the northeastern part of Brazil has been exploited since 1955. The older fishermen remember a certain Mr. Morgan introducing traps from Florida and starting to export lobsters to the US. The fishery was artisanal, using small canoe-shaped boats with sails, called *canoas* and sail-rafts called *jangadas*. (Interestingly enough, the word *jangada* originates in India and comes from the Malayalam word *changadam*).

There was no danger of overfishing until the motorized fleet was introduced in 1965. But, in the 1970s, once the fleet had grown out of control and greedy merchants began to buy undersized lobsters, the first danger signs appeared.

The fishery was administered by a federal agency called "SUDEPE", together with scientists and the syndicate of exporters. Artisanal fishermen and the Fishermen's Union were simply ignored. Even when the newly created IBAMA (Environmental Institute of Brazil) took over responsibility for fisheries, management was conducted in a very isolated manner. The result was that Brazil's total lobster capture and exports crashed from a peak of 5,000 tonnes to 3,200 tonnes in 1993 and, later, to 1,700 tonnes in 1999. The struggle for participation in fisheries management started in 1993 after conflicts with crews of fishing boats with illegal diving equipment led to several deaths on both sides. Fed up with the *laissez faire* attitude of the government and law enforcement agencies, fishermen in Prainha do Canto Verde reacted and went on a 76-day protest trip

to Rio de Janeiro on the *jangada S.O.S. Survival* (see *Sailing for a Cause*, SAMUDRA Report No 18, 1997).

In the last eight years, a lot has changed and the fishermen are now part of the decision-making process. The NGO "Instituto Terramar" (which was founded as a result of the protest in 1993) started to bring together fishing communities, organized a statewide awareness campaign and nursed along the first initiatives of community fisheries management. (For more background information on the project Prainha do Canto Verde/Instituto Terramar go to [www.fortalnet.com.br/~fishnet](http://www.fortalnet.com.br/~fishnet)). The government and the fishing industry continued to drag their feet, not addressing the main problems: excessive fleet, lack of control of the access to the fishery and predatory fishing.

I have been following the Marine Stewardship Council (MSC) experience and the debate promoted by ICSF with great interest, seeing the potential, on the one hand, of a market-based instrument, and, on the other, its limitations for small-scale and artisanal fisheries. Julia Novy, director of Community-based Certification (CBC) in the WWF Endangered Seas Campaign had learned of our community management experience in Prainha do Canto Verde. She invited me to participate at a workshop in Seattle in 1999, together with a number of representatives of community fisheries and several WWF staff from all over the world (Europe, USA, Asia, Australia and Latin America) and the directors of MSC.

This article is by René Schärer ([fishnet@fortalnet.com.br](mailto:fishnet@fortalnet.com.br)), a Member of ICSF, appeared first in SAMUDRA Report No. 29.

## Open mind

Being a newcomer to fishing, I am always keen on participating and learning, and keep an open mind for anything that may bring some hope to our lobster fishery. The workshop was, thus, an excellent opportunity to learn from other community experiences and, at the same time, get a chance to debate the issue with representatives of MSC. It seemed just great to have the opportunity to test the principles and criteria of MSC, knowing, from the SAMUDRA debate, that these were being questioned.

During the debate, MSC project manager Carl-Christian Schmidt talked about field testing of the certification system in small-scale fisheries, but there remain doubts whether small or community-based fisheries had really been made part of the consultation process.

It was clear to me from the beginning that our lobster fishery would have great difficulty to obtain certification under any scheme, because it is so badly managed. But I felt that to go ahead with the experience would be useful for three reasons:

- It would provide the opportunity to test MSC's principles and criteria in a community fishery.
- It would alert the lobster fishery stakeholders to the need for action.
- It would allow an independent and international entity to furnish evidence to pressure Brazilian fishing authorities to implement the existing fisheries management plan.

The WWF took over the costs of the project, which included a preliminary phase, including awareness raising for stakeholders and the pre-assessment for MSC certification.

It was quite a surprise for the fishing industry in Brazil to learn that NGOs and fishermen were once again a step

ahead. Fisheries managers had very little information about MSC, but got very keen when they learned that the Western Australian lobster fishery was already applying for MSC certification. Suddenly, we became more interesting as partners. Five NGOs and fishermen entities were quickly admitted to the "Lobster Foundation" an organization that is supposed to lead the search for responsible fisheries management.

Thus, on 26 November 1999 in the five-star Hotel Marina Park in Fortaleza, Ceará stakeholders and the media got firsthand knowledge of the Lobster Foundation and the MSC's first appearance in Latin America. Two days later, the presentation for fishers and communities took place at the traditional *Jangada* Sail Race in Prainha do Canto Verde.

## Media coverage

The event, which attracts over 10,000 fans, and for which we had outstanding TV coverage, was ideal to introduce fishers from many communities to certification and community fishery management as it is practised in Prainha. The former Environmental Minister and Member of the Board of MSC, Henrique Brando Cavalcanti, was present and was impressed with the state of community organizations in Ceará.

Over the next five months, the community-based certification concept and the community fisheries management plan were presented in communities of the eastern seaboard of Ceará, to fisheries managers, scientists of two universities and the two main research centres of the country (the lobster fishery extends over nine federal States and 1,800 nautical miles of coastline).

In May 2000, Chet Chaffe of Scientific Certification Systems of Oakland California, who had led the team that

certified the lobster fishery in Western Australia two months earlier, arrived in Fortaleza.

At a workshop, 20 scientists and fisheries technicians were briefed about certification, before the address to 250 delegates at a fisheries industry gathering sponsored by the fishing industry.

The visit to the lobster fishery at sea and the days spent with the fishermen and contacts with lobster specialists quickly revealed the obvious:

“The pre-assessment does show that certification will not be possible in the short term. The Brazilian government needs to do something about saving the lobster fishery first as it is in a very bad condition. However, potential buyers can rest assured that the fishing co-operative in Prainha do Canto Verde is doing everything it can and doing it well. If the government were doing its job properly, the catch out of Prainha do Canto Verde would meet the MSC requirements for certification. The fact that it does not, is no fault of the fisherman.” (For the detailed report of Scientific Certification Systems go to [www.fortalnet.com.br/~fishnet](http://www.fortalnet.com.br/~fishnet) and search for the MSC page).

The result just confirmed what we already knew: we can't save just the lobster fishery of Prainha do Canto Verde; it's all or nothing. The recovery of the lobster fishery is crucial for the survival of coastal communities. Over the past 15 years, the lobster fishery has become more and more artisanal, and exporters depend on the small-scale fishers for the harvesting of lobster. Price increases on the international market are passed on to fishermen. In this particular fishery, everybody stands to benefit from MSC certification.

The pre-assessment was a positive experience. During the hours spent with Chet, we learned that we know very little

about our fishing area. Since then, fishers of Prainha have started to innovate. They are in the process of marking and mapping “their” ocean, firstly, to obtain detailed knowledge about all the resources, and, secondly, to manage it better. We need to convince fishing authorities that the whole coastal area has to be managed in a new way, through community areas with management teams that integrate fishers and scientists.

Maintaining contact with Julia Novy and her community management team has allowed me to keep abreast of the discussions going on around the world. Participants at a WWF-sponsored Community Fisheries Workshop in Sydney in 2000 had some very interesting discussions.

The conclusions they reached do not differ much from the ones we reached in Prainha. But they took the debate a step further and started a discussion on how community certification schemes might look like.

I hope that Julia Novy will keep SAMUDRA readers informed about the progress of this discussion and that the WWF expands its activity in the field of community management to other continents.

**Lack of data**

Some of the difficulties under MSC certification are the non-availability or poor quality of data in community fisheries or, in the case of Prainha, the lack of comparative data from other communities; or the fact that most resources move around and the community has no control outside its fishing area; and the lack of enforcement capacity. To prepare a fishery for a “real” MSC certification would need time and resources that community fisheries don't have, while the returns would not justify the investment.

For most community fisheries, the benefit may not necessarily be money, but:

recognition, validation of community management techniques, technical and financial support for community management programmes, employing community leaders to transfer the knowhow to other communities and the long-term sustainability of the fishery. Active WWF support for community-based efforts to sustainably manage their local fisheries can help convince national governments to support these efforts. That is one thing we still hope will happen in Brazil.

Just the fact of having been chosen to test MSC certification has helped the community of Prainha do Canto Verde find sponsors for the project of marking and mapping their fishing area, and there is a good chance to obtain support from the federal government to extend the experience to other communities.

We may come to the conclusion that the way it stands, MSC is an unlikely instrument to certify artisanal or small-scale fisheries. But we should not deny it the recognition that it has started a discussion that could go a long way to advance community fisheries management and put it on the agenda of national governments, multilateral banks and international funds and organizations. The MSC could be one of the sponsors of a community-based certification “seal of excellence for community fisheries management”, with financial support by MSC signatories and certified fisheries. ICSF, WWF and other NGOs that work with small-scale fisheries could be the stewards for this initiative. A community-based certification programme will be a powerful tool for sustainable coastal development.

Since the MSC presentation in 1999, the community of Prainha do Canto Verde and Instituto Terramar have gained national recognition and are pushing for major changes. At a regional level, we have been able to convince mayors of six coastal counties (municipal governments)

to launch a regional management effort along 200 km of coastline, including enforcement actions with a community-owned motor boat and over 50 local actions aimed at controlling the fleet, eliminating backyard lobster buyers (trafficking in undersized lobsters), launching awareness campaigns and many local actions to create alternative fisheries or alternative sources of income in order to take the pressure off the lobster fishery. The federal government has already indicated that it is supporting the initiative and is making available money from the National Environmental Fund to support the plan.

Next on our list are Brazilian exporters and US importers of seafood; we do hope they come aboard. But if they don't, we are in touch with the organizers of the Boston Sea Food Show to present our “case” in March 2002. At this year's show, one of the conference themes was: “Boycotts, Petitions and Purchasing Guides: What's the Industry to Do?”

**Also online at:** 

<http://www.icsf.net/SU/Sam/EN/29/art06.pdf>

# Lobbying for lobsters

Chet Chaffee

**This is a partial pre-assessment report of the Prainha do Canto Verde Community-based lobster fishery in Brazil**

The Marine Stewardship Council (MSC) is a non-profit organization dedicated to the long-term protection or “sustainability” of marine fisheries and related habitats. First started as a joint initiative between Unilever and the World Wide Fund for Nature (WWF), the MSC is now a fully independent organization that is governed by an independent Board of Directors advised by a panel of scientific, economic, and fishery experts.

The MSC Mission Statement is:

To work for sustainable marine fisheries by promoting responsible, environmentally appropriate, socially beneficial, and economically viable fisheries practices, while maintaining the biodiversity, productivity and ecological processes of the marine environment.

Dedicated to promoting “well-managed” or “sustainable” fisheries, the MSC initiative intends to identify such fisheries through means of independent third-party assessments and certification.

Once certified, fisheries will be awarded the opportunity to utilize an MSC promoted eco-label to gain economic advantages in the marketplace. Through certification and eco-labelling, the MSC intends to promote and encourage better management of world fisheries, many of which have been suggested to suffer from poor management. In September 1996, the MSC gathered together a group of more than 20 preeminent persons experienced in fisheries and fisheries-related issues (scientists, social scientists, economists,

lawyers, etc.) to discuss the establishment of guidelines for defining “sustainable” fisheries. Pulling from large volumes of work by a number of leading organizations (FAO, Greenpeace, WWF, ICES, etc.), as well as their cumulative experience and expertise, the group was able to develop a document entitled “Draft Principles and Criteria for Sustainable Fishing”. These principles and criteria, which are now approved for final use by the MSC Board of Directors, form the basis for qualifying fisheries as certified and able to utilize the MSC ecolabel.

At the request of Julia Novy, Director of the Community Based Conservation Program for World Wildlife Fund and Rene Sharer of Instituto Terramar, Scientific Certification Systems, Inc. undertook a Pre-assessment of a small community-based lobster fishery in Prainha do Canto Verde in Northern Brazil to determine if this fishery is a good candidate for MSC certification. More specifically, this pre-assessment project was divided into two parts:

Part 1: Collect and assess general information about the fishery and the status of lobster stocks in Brazil. If information is found that strongly suggests that the fishery under evaluation could not meet the MSC certification requirements, the project would not move on to Part 2.

Part 2: Complete the data collection and interviewing of relevant managers, scientists and stakeholders in the fishery to provide information on the following issues:

- The fishery management policy objectives, regulations, and practices;

This document was prepared by Chet Chaffee, Scientific Certification Systems, Oakland, US, with assistance from Bruce Phillips, Curtin University of Technology, Perth, Australia for Prainha do Canto Verde, Brazil. It appeared first in SAMUDRA Report No. 29.

- State of preparedness for assessment, in particular, the extent to which the fisheries systems are based upon the MSC principles and criteria;
- List of stakeholders in the fishery;
- A short description of the fishery;
- General historical background information on the fishery and area;
- Identification of other fisheries in vicinity, but not subject to certification;
- A decision as to whether it will be possible to move from the pre-assessment to final assessment stage;
- A discussion of the key issues and factors identified as potentially troublesome in completing a successful certification assessment based on the MSC principles and criteria, and;
- A budget estimate for conducting a full certification assessment.

The following report details the work completed for Part 1 of this project, noting that the project was terminated after the completion of Part 1 due to the information obtained on the status of lobster stocks in Brazil. Part 2 of this project was therefore not completed.

Scientific Certification Systems (SCS), founded in 1984, has developed a series of programs to independently evaluate and certify environmental and food safety performance. The company's mission is to provide objective, scientific information to industry, government policy makers, and consumers about the environmental and health consequences of various industrial and agricultural practices, and to encourage voluntary, responsible improvements through recognition of outstanding industry achievement.

SCS consists of a multi-disciplinary team of scientists, trained in the fields of chemistry, chemical engineering, process engineering, packaging engineering,

biology, statistics, entomology, geology, nutrition, agricultural sciences, marine sciences, and forestry.

Chet Chaffee directed this pre-assessment. Chaffee has over 15 years experience in the field of marine sciences, and more than 10 years of experience in environmental certification and eco-labelling. Chaffee has conducted or participated in certification projects for both small and large (Fortune 50) companies in a wide variety of industries from chemical manufacturing to food to resource extraction.

Bruce Phillips has more than 30 years experience in fisheries research and management from both a practical standpoint, having worked at Commonwealth Scientific and Industrial Research Organization (CSIRO) and, academically, as a professor at Curtin University.

Phillips is internationally recognized as one of the leading authorities on lobster biology and lobster fishery management having worked as a consultant and research scientist to lobster fisheries in Australia, New Zealand, Brazil, Mexico, Cuba, and several Asian fisheries. Most recently, Phillips has been working as the editor for a compendium of papers on lobster fisheries and their management around the world.

The community of Prainha do Canto Verde (PCV) comprises a small number of fishers that use traps to catch lobster. The community, through the livelihood of the fishers, is dependent on lobster through both subsistence and commercial fishing.

This project was undertaken as an MSC-compliant pre-assessment of that part of the Brazilian lobster fishery fished by the fishers at PCV. This means that the scope of the project is to look at how the fishers in PCV manage and fish for lobster in an area defined geographically by the ability of the fishers to sail their *jangadas*

(indigenous sailboats) to fishing locations.

The project is not concerned with other fishers or other management activities except where these activities may impinge on or significantly effect the management and fishing of lobster by the community at PCV.

In essence, to examine if this community of fishers is managing and fishing a sustainable fishery as defined by the Principles and Criteria of the MSC, one must look at three things:

1. The health of the stock being fished by PCV fishers
2. The ecological/environmental impacts of fishing lobster in the areas fished by PCV fishers, and
3. The robustness of the system in place to manage the lobster fishery fished by the fishers of PCV.

In terms of community-based fisheries, this means looking at the following:

1. Stock Status: Even though a community such as PCV may be fishing a small portion of a large stock that is being fished by many others, the sustainability of that fishery is dependent on the entire stock being in healthy condition.

If the stock is not healthy, then it may become quite problematic to catch lobster in PCV or any other area in Brazil. As a result, the pre-assessment must look at the health of the entire lobster stock throughout its geographic distribution.

2. Ecological Impacts: It was determined by the MSC Standards Council that it is part of the MSC process to look at ecological impacts anywhere in the fishery where the impacts could either be tied directly to activities of the fishers applying for certification, or of such magnitude that the impacts from other areas not fished by the applicants could

have detrimental effects on that part of the fishery under consideration.

3. Management System: In the case of a community fishery, it is incumbent upon the certification body conducting the pre-assessment to determine if there are multiple management systems at work in the fishery. In the case of PCV this is certainly the case. The PCV community has its own management system for structuring the fishing effort, protecting the resource, and minimizing effects on the local environments. At the same time, the federal government has a management system in place that provides some regulatory controls and is responsible for the effort applied throughout the lobster fishery along the entire coast of Brazil.

At the beginning of this project, there were some suspicions that there may be problems with the health of the lobster stock or stocks in Brazil. If this could be shown to be true, it would be difficult to see how the lobster fishery in Prainha do Canto Verde or any other part of Brazil could be considered sustainable under the MSC program. As a result, WWF asked for this project to be separated into two parts:

Phase 1 - Examination of the health of the stocks in Brazil and in the areas fished by fishers from Prainha do Canto Verde.

Phase 2 - If the stock or stocks of lobster being fished in Brazil can be shown to be healthy, then the remainder of the pre-assessment examination of the ecological impacts of fishing and the robustness of the management system could be undertaken.

If evidence became available that the stock(s) is in poor condition and that the fishery would not be able to be certified under the MSC program, then the project would be terminated to avoid further expenses to WWF.

Two main species of lobster occur in the

catches of Brazil; *Panulirus argus* and *P. laeviscauda*. *P. argus* is the predominant lobster caught in Brazil and makes up the larger part of the catch in the PCV fishery.

Early discussions with fishery scientists, fishery managers, and others in Brazil provided excellent evidence that the lobster stocks in Brazil in general are in serious decline. In and of itself, this may not have been sufficient for the project to be terminated if there were some indication that the stock being fished by the fishers of Prainha do Canto Verde was a separate and identifiable stock from other lobster stocks in Brazil. However, after considerable discussions again with fishery scientists and managers in Brazil it became clear that there is no reliable or reasonable evidence to suggest that separate lobster stocks exist along the coast of Brazil. There is some anecdotal evidence that there may be some geographic or hydrologic barriers between areas that could facilitate the separation of breeding units and, therefore, stocks (Fonteles-Filho, 2000), but to date there is no scientific support for this. All the scientists interviewed in Brazil and the literature reviewed suggest that there is a single stock of both *Panulirus argus* and *Panulirus laeviscauda* and the Brazilian government manages the lobster fishery as one management unit.

Landings of lobster in Brazil were once considered to be the world's second largest catch of warm-water species. Landings showed an upward trend from 1965-1979, but from 1979 to present there has been a gradual decline with a few production peaks as in 1982, 1984, 1990, 1991, 1995, 1996.

The decline in the total annual catch is only one indication that the lobster fishery is in trouble. The catch per unit effort or CPUE has also declined from 0.936 and 0.410 kg/trap-day in 1965 to 0.097 and 0.019 kg/trap-day in 1997 for *P. argus* and

*P. laeviscauda* respectively.

### Increased effort

To try and bolster the economic aspects of the fishery and maintain annual catches, the effort in the fishery has increased considerably over the years. Effort has increased by expanding the number of boats in the fishery and by increasing the geographic boundaries of the fishery. In addition, the types of boats and gear in the fishery have changed so that there are now many more industrial fishers with large motor craft in the fishery that are able to expend a good deal more effort than the traditional indigenous fishers using local sail craft (*jangadas*).

The distribution of effort in the fishery at present shows that the number of boats is near equally distributed between sail craft and motor craft, but the effort is skewed such that more than 90 per cent of the effort is produced by the motorized fleet, and less than 10 per cent of the effort produced by the traditional sail fleet.

There may be many reasons for the decline in the catch of lobster in Brazil from changes in the biological and oceanographic regimes to fishery management. However, due to the fact that there is such agreement that the decline is real and is continuing, this pre-assessment project was terminated as there would be no way the fishery would be able to meet the MSC requirements for certification. Further effort was not expended to determine the causes of the decline.

One thing appears to be clear, the management of the fishery in Brazil does not appear to be making the necessary effort to change its management practices to stop the decline in the lobster fishery and rebuild the stocks. This appears to be a serious problem that is putting the PCV lobster fishers, other

fishers, and the local ecology and fishery at risk through no fault of their own.

Although Phase 2 of the project was discontinued, Chet Chaffee upon his visit to Brazil was able to talk with the fishers in PCV to see what measures, if any, were being taken on a local level that might have been useful in an effort to obtain MSC certification.

In terms of understanding the local ecological effects caused by fishing, there was some local and traditional knowledge that PCV fishers were able to provide. The fishers in PCV have a good understanding of the distribution of lobster in the areas fished. There is good awareness of areas with high incidence of juveniles and these areas are avoided whenever possible. In addition, the fishers appear to be very aware of changes in catches and move to new locations whenever catches are down. This appears to help distribute the effort over space and time, thus reducing fishing pressure on any one area.

In discussions with fishers in PCV, it also became clear that there was a significant amount of knowledge about the distribution of habitat types in the fishery areas. However, this base of knowledge had not been captured in any formal way to better help local management efforts in terms of sensitive habitats. Today, it appears that the fishers in PCV are working with a local NGO (Instituto Terramar) to map the various types of habitats in the PCV fishing territory.

From this information, it appears that the local PCV fishery could meet the necessary requirements under Principle 2 of the MSC certification should the fishery ever be in a position to apply (i.e. the stock status changes due to improved management at the federal level). The fishers are actively engaged

in efforts to better understand and mitigate the impacts of fishing within the geographic boundaries of the PCV fishery.

Two groups handle the management of the lobster fishery at PCV: the federal fishery management authority, IBAMA (Institute for the Environment and Natural Renewable Resources), and the local PCV fishing community.

At the federal level, there appears to be some changes necessary to improve the fishery. There are many regulations in place to protect the lobster fishery, but there appears to be a problem with proper enforcement. For example, there are laws making it illegal to land, sell, or transport lobsters smaller than 65 mm CL (*P. Argus*) and 59 mm CL (*P. laevicauda*).

#### Closed season

There is also a closed season from January to April. In addition, it is illegal to fish by commercial diving as this is considered to be a non-selective practice. While these laws are present, the certification team was told that there are many instances of what Brazilians call “predatory fishing” where illegally fished and undersized lobsters are taken, sold, and exported (including to the United States) because there is a lack of federal government enforcement in the fishery.

In addition to the lack of enforcement, there also appears to be a power struggle within the federal government about who should control the management of fisheries. While IBAMA has traditionally had the responsibility, it appears now that the responsibility may be split with other agencies. This split in control along with declining budgets for fisheries management seems to be affecting fisheries management and enforcement in Brazil.

At the local level, the PCV fishing community appears to have excellent local management. The PCV community

has a local management council and strict regulations regarding who can fish, what time of day fishing can occur, what can be caught.

In addition, the community has placed restrictions on gear, enforces closed seasons, and is working hard to patrol their own fishing territory to ensure that overfishing and predatory fishing do not occur.

There are severe penalties for those who violate the local fishing regulations from losing permission to fish for given periods of time to having either fishing gear or boats confiscated.

In terms of meeting the MSC Principles and Criteria for management it is clear that the local PCV community has excellent measures in place to create a sustainable fishery within its local waters. However, it does not appear that the federal management would meet the stringent requirements of the MSC.

In general, we found that the Prainha do Canto Verde fishing community was doing everything it could to ensure the long-term sustainability of its fishery. The PCV community and fishers should be applauded for their hard work, their diligence, and their continued commitment to making their local fishery as sustainable as they possibly can.

Through no fault of its own, the PCV fishery at this time would not meet the MSC requirements as the stock is in serious decline with what appears to be little or no effort being made to reverse the situation. If ever the situation should change in Brazil, we believe the Prainha do Canto Verde lobster fishery would make an excellent candidate for MSC certification. In the meantime, we sincerely hope that any commercial concern purchasing lobster from PCV will recognize the efforts that these local

fishermen continue to make toward the sustainability of their fishery.

Also online at:

<http://www.icsf.net/SU/Sam/EN/29/art06.pdf>

# The arrogance of experts

Michael Belliveau

**This piece on the Marine Stewardship Council and the lobster fishermen of Brazil is in response to an article in *SAMUDRA Report* No. 29**

The August 2001 edition of *SAMUDRA Report* carried a 'pre-assessment report' of the Prainha Brazil lobster, prepared by Chet Chaffee who is with a group called Scientific Certification Systems, based in California.

I was so furious with the report that I wrote to Sebastian Mathew of ICSF who encouraged me to put my thoughts down for the next issue of *SAMUDRA Report*. What follows is really no more than a 'Letter to the Editor'. I have never been to Brazil nor have I ever met anybody associated with the Marine Stewardship Council (MSC).

Mr. Chaffee begins his report by telling us the MSC is "now a fully independent organization", independent supposedly from Unilever and the World Wide Fund for Nature (WWF), but later in the article we find that the WWF is indeed paying for the report. In any case, even if the MSC is fully independent, who are they?

According to Chaffee the Draft Principles and Criteria for Sustainable Fisheries was produced by "20 eminent persons". He talks of a panel of "scientific, economic, and fishery experts." There is no mention of fishermen representatives or unions. How incredibly arrogant! Mr. Chaffee's own Scientific Certification Systems has a multi-disciplinary team of scientists. We are supposed to be overwhelmed by all this science and expertise! But I still wonder, who is the MSC and who are they to be going to coastal Brazil to certify anything?

Consider Mr Chaffee's assessment of the lobster fishery itself. Nowhere in the article do we find evidence to suggest that the Prainha lobster is just one small component of a much larger discrete stock. Yet, the fact that the general trend in lobster landings is declining in Brazil as a whole seems to be the fundamental reason for ceasing the assessment. Much is made of the increased effort since 1965, and the commensurate decline in 1979 and beyond.

Yet, there is not one shred of evidence to suggest that the increased effort is a threat to the sustainability of the resource. Apparently, we are supposed to be impressed by the dramatically lowered catch rate, even though the next paragraph asserts an expanding number of boats and gear, something that would reduce the catch rate per trap but tell us nothing of the state of the resource.

In the lobster fishery of the Maritime Provinces of the East Coast of Canada, we have 41 lobster management zones. There is wide consensus that lobster should be managed locally and there is absolutely no data to determine what constitutes a discrete stock; the Fisheries Resource Conservation Council has hypothesized that there may be lobster production areas that are larger than a given management zone, but stresses that lobster should be managed locally, while admittedly taking into account measures for the whole production area.

Our lobster fishery was commercialized in the late 1800s and catches peaked

This piece comes from Michael Belliveau (mfuupm@nbnet.nb.ca), Executive Secretary of the Maritime Fishermen's Union, Canada. It appeared first in *SAMUDRA Report* No. 30.

some 15 years later and declined throughout the 20th century to a level where landings were a third of the historical highs.

### **Declining catches**

In the late 1970s, landings began increasing and, in 1990, reached levels comparable to the turn of the century. Now they are declining again, as one might expect. We have lots of science and enforcement but absolutely no reason to believe the declines in some areas will not continue, while in others they are increasing. There is no one out there who has the secret to reverse the trends and there is virtually no correlation between so-called effort and resource sustainability.

This is because, in my judgement, we use a 'passive' form of fixed gear fishing combined with basic protection of the berried females and the immature lobsters. In this type of management fishery, effort is almost invariably a competitive act towards the other participants and not really a determinant of resource decline or expansion.

My guess would be that if Prainha successfully implements its local management measures, the lobster fishermen will most certainly see benefits in future years, regardless of what the rest of the coast is doing; but other parts may 'bloom' for no detectable reason, while Prainha just plods along.

Notwithstanding the optimistic views of René Sharer in a compendium article, I am outraged by Mr. Chaffee and his cohorts in MSC and WWF, with their pompous scientific jargon about sustainability, when they can't even enlighten us on the relation between Prainha and the rest of Brazil's lobster stock.

Also online at:



<http://www.icsf.net/SU/Sam/EN/30/art08.pdf>

# Funding support

Jim Humphreys

## A new fund has been set up to support independent certification of fisheries and labeling of seafood products

A new fund, called the Sustainable Fisheries Fund (SFF), is being launched to help provide support for fisheries that wish to be assessed for possible certification under the auspices of the Marine Stewardship Council (MSC, [www.msc.org](http://www.msc.org)) and its fisheries ecolabelling programme. To create the SFF, the MSC is working with the David and Lucile Packard Foundation and the Resources Legacy Fund (RLF) of Sacramento, California. The Packard Foundation has provided a substantial grant to RLF to launch the new fund, which will make smaller, more targeted, grants and loans to help defray the costs associated with fishery assessments.

The MSC is an international nonprofit organization dedicated to creating sustainable fisheries around the world by using market-based incentives. It has developed an environmental standard for sustainable and well-managed fisheries, and any fishery may voluntarily choose to be assessed against the MSC standard by an independent third-party certifier.

Fisheries that meet the MSC standard may use the MSC ecolabel on their products, and this tells consumers that they are choosing products that are the best environmental choice in seafoods.

Danielle Wilson of RLF, who has extensive experience working with the Packard Foundation's Conserving California Landscapes Initiative, will provide the organizational leadership for the new SFF. Jim Humphreys, MSC's US Director, will serve as a consultant to RLF and will manage the new programme.

Specific guidelines are being developed to guide the operations of the new fund through a transparent application and review process. To assist in that process, a guideline development workshop was held in London on 19 June 2002. Invited to that workshop were representatives from developing world fisheries, fishworker's organizations, environmental NGOs, and international foundations. Many of those attending the workshop are also members of the MSC Stakeholder Council, which met in London on 17-18 June 2002.

The workshop sought advice on four major areas: (i) guidelines for supporting fishery pre-assessments; (ii) guidelines for supporting full assessments of fisheries; (iii) guidelines for small grants to support stakeholder participation in assessments; and (iv) guidelines for support of projects that assist fisheries to move towards MSC certification.

The MSC has made significant progress in developing its global fisheries ecolabeling programme. Six fisheries have been successfully certified, another six are currently undergoing full assessment, while approximately 20 to 30 additional fisheries have completed confidential pre-assessments. Currently, more than 100 companies are selling labeled seafood products from fisheries certified under the MSC programme.

As the MSC programme has moved through this early stage of its growth and development, the cost of certification has emerged as an obstacle to participation. This is especially true in the developing world

This piece is by Jim Humphreys ([jim.humphreys@msc.org](mailto:jim.humphreys@msc.org)), US Director, Marine Stewardship Council, Seattle, US, appeared first in SAMUDRA Report No. 32.

and in economically depressed fisheries.

### Two stages

There are two major stages in the assessment process leading to certification: pre-assessment and full assessment. Pre-assessment is the initial scoping study of a fishery to identify the major issues and potential barriers to certification. Full assessment is a comprehensive peer-reviewed scientific assessment of the fishery against the MSC Principles and Criteria for Sustainable Fisheries. For each of these assessments, the MSC has set specific requirements regarding how the assessment is conducted and the qualifications of the assessment team members. This helps ensure that the assessments and resulting certifications conform to the high standards of the MSC and accepted international standards for certification.

Many fisheries have realized significant value in conducting either a pre-assessment or a full assessment under the MSC's programme even if a specific fishery is not immediately successful in earning certification. For example, *SAMUDRA Report* reported in August 2001 that a pre-assessment of the Brazilian Prainha do Canto Verde lobster fishery helped identify gaps in data and management and created opportunities for both media coverage and co-operation among the varied stakeholders.

A confidential pre-assessment is the first step in the MSC process. For fisheries that are well managed, it can provide the necessary information to move ahead for a full assessment and perhaps MSC certification. For fisheries with management and/or ecosystem problems, a pre-assessment can identify those major issues and provide the fishers, fishery managers and stakeholders with an agenda for improvement. Problems being identified through a pre-assessment with a long-term goal of achieving MSC

certification can be a valuable tool in helping fisheries make necessary improvements.

Full assessment may lead to MSC certification, which is recognition that a particular fishery meets currently accepted international standards for sustainability and management. Fisheries found to conform to the MSC's Principles and Criteria for Sustainable Fishing reflect best management practices for scientifically based fisheries management with an ecosystem management component. Certification helps distinguish these fisheries as examples for others to follow.

Stakeholder participation is an important element at all stages in the assessment and certification process. Stakeholders vary widely and the MSC is developing guidance to help accredited certifiers ensure that all interested parties are consulted during the fishery assessment.

### Limited resources

However, full participation in the assessment process sometimes requires a significant investment of time and energy by organizations that may have very limited resources. The SFF will make small grants available to help ensure broadbased stakeholder input into fishery assessments.

When a fishery moves through the assessment process, opportunities may emerge or deficiencies may become apparent that can not be immediately resolved. For example, a fishery may lack information on the size, status and health of the target population. The SFF may provide some limited and targeted support to help fill such gaps, fund limited data collection and leverage larger projects. The new fund will not be in a position to support large-scale



# Green fisheries in crisis

Paul Brown

## The Marine Stewardship Council is under fire for flawed certification of fisheries

The world's only label to certify sustainable and well managed fisheries, the London-based Marine Stewardship Council (MSC), lacks credibility and will collapse unless drastically reformed, say confidential reports compiled for its funding organizations.

A crisis meeting of the MSC board is being held on Monday and Tuesday to discuss reports that urge the former Conservative environment secretary John Gummer to stand down from the chairmanship. There are also demands for a widening of the membership and expertise of the management to regain the trust of conservation and environmental groups. Fish from across the world sold in British supermarkets carry the MSC logo, but claims that the fisheries it certifies are sustainable should be dropped because consumers are being duped, say the reports obtained by the *Guardian*.

The investigation into the MSC was ordered by five large US foundations that fund conservation work. They were concerned that despite the MSC's high-profile support from the Prince of Wales and Queen Noor of Jordan, the certification given to some fisheries was unjustified.

Four special investigations into fisheries the MSC has certified were carried out and researchers said none was flawless. They were the New Zealand hoki, Alaskan salmon, the South Georgian toothfish, and Aleutian Islands pollock fisheries in Alaska, the largest fishery in

the world, from where most of the white fish in McDonald's and other fast food restaurants comes. The hoki fishery failed to comply with the New Zealand fisheries act, which requires action be taken to avoid adverse effects on the aquatic environment.

The Patagonian toothfish, also marketed as Chilean seabass, has been drastically overfished by pirate boats across the southern oceans and to certify one small part of the fishery in South Georgia was felt to be an encouragement to the illegal trade. The MSC certifies only 4 per cent of the world's wild fish, but is widely accepted in British and European markets and is seen by governments and the industry as good for sales.

Many more fisheries are going through the preliminary stages of getting certified and the MSC is growing fast. But both reports believe that without the backing of environmental and conservation groups the credibility of the organization will be terminally undermined. The most stinging criticism comes from an independent Wildhavens consultancy, which interviewed conservation groups, the fishing industry, retailers and MSC staff.

Its main recommendation is that the board of trustees should recognize it had reached a "critical tipping point" and must act speedily "to restore its credibility and prevent the organization's failure". The burden of proof to show that certification will enhance the marine environment was with the MSC and it

This article by environment correspondent Paul Brown first appeared in *The Guardian* of 21 February 2004, and was carried in SAMUDRA Report No. 37.

• must show that it did not provide an  
• undeserved “green shield” for inadequate  
• fisheries management.

• **Management changes**

• The report also called for management  
• changes, including Mr Gummer handing  
• over the chairmanship, although it  
• suggests he stays on the organization’s  
• board. There are also criticisms of staff  
• leadership, which is regarded as an attack  
• on the chief executive, Brendan May.  
• Mr Gummer said he had no intention of  
• resigning. The MSC had cooperated in  
• both inquiries, he said.

• The organization had the difficulties  
• of operating a certification system  
• acceptable to industry, governments and  
• the environmental movement. Some  
• of the criticisms were from a particular  
• American viewpoint, which took an  
• absolutist view on what was “sustainable”.

• Mr May said both reports were helpful  
• and constructive and many of the changes  
• suggested would be implemented.  
• Some were already under way. He did  
• not think the criticisms threatened his  
• position as Chief Executive.

Also online at:



<http://www.icsf.net/SU/Sam/EN/37/art06.pdf>

# Committed to all stakeholders

The following statement was released by the board of the Marine Stewardship Council (MSC)

The latest MSC Board meeting took place on 23rd and 24th February 2004. At this, their quarterly meeting, MSC trustees had the opportunity to review and discuss two recent evaluation reports on the organization compiled by the Bridgespan Group and Wildhavens Consultancy on behalf of several conservation funders.

The Board invited authors of both reports to join part of their deliberations, not least because MSC board members and staff had actively participated in the reviews.

The MSC Board welcomes these evaluations. The recommendations provide constructive and helpful advice on how the organization can continue to build its global credibility as the organization grows and as more fisheries, processors and retailers embrace the MSC programme. The MSC is a fast developing organization and many of the recommendations tabled by the evaluators reflect the new challenges that MSC faces as it grows. Particularly, this is important in ensuring consistency of approach in certifications, better oversight of corrective actions in certified fisheries, and strengthening the involvement of stakeholders in the MSC's governance. Indeed, many of the changes put forward had already been proposed within the organization and are in stages of review and implementation by its key governing and technical bodies.

Having discussed in some detail the contents of both reports, the MSC Board

grouped the many recommendations into categories and also assigned priority to examining further the following issues:

1. The Board and Chief Executive will work actively with the TAB, Stakeholder Council and key stakeholders outside the MSC's formal structure to address some of the detailed technical recommendations relating to the Principles and Criteria (MSC standard) and certification process. In particular, this work will focus on scoring indicators, the tracking of specific progress on corrective actions and ensuring that tangible environmental improvements arise from fishery certifications in a manner which can be measured and communicated.
2. The MSC will give added impetus and attention to its existing projects designed to ensure quality and consistency of fishery assessments and the enforcement of corrective actions.
3. The MSC will examine, through its formal governance structure and beyond, some of the detailed proposed amendments to the MSC standard, particularly on Principle 3.
4. The MSC will engage in discussions on how better to involve key stakeholders in the organization. Specifically, a working panel will be created to look at how engagement between the Board and Stakeholder Council can be improved.
5. The MSC will produce a workplan outlining proposed efficient and consultative action on the key recommendations made by the

The MSC Board of Trustees issued this communication on 24 February 2004, and was published first in SAMUDRA Report No. 37.

evaluators. This plan will be published at the end of March. The MSC will also seek input on the detail of the work proposals when they emerge. This project will not be cost-neutral, and the MSC will need to secure funding in order to implement this programme of action.

### **Broad spectrum**

The MSC includes a very broad spectrum of global opinion across the industry, governmental and NGO sectors. In the interests of transparency, the MSC will ensure that any changes which are made as the programme continues to evolve are the subject of due scrutiny by all those with a stake in the continued success of the organization. The Chairman and Chief Executive are absolutely committed to working with those who have asked for further changes to the organization and its programme and with the entire MSC board hereby commit themselves to working with all stakeholders to consider these matters in a serious and timely fashion.

Also online at:



<http://www.icsf.net/SU/Sam/EN/37/art07.pdf>

# Amend principles, criteria

Menakhem Ben-Yami

**This piece is in response to an article on the Marine Stewardship Council that appeared in SAMUDRA Report No. 37**

To tell consumers of marine products whether their fish are coming from a sustainable fishery is, no doubt, a tall order. It would be surprising if an organization endeavoring just that would not come under criticism. Therefore, I have never been surprised by outpourings from parties disagreeing with one or the other of the judgements of the Marine Stewardship Council (MSC). However, the article reproduced from *The Guardian* in the March 2004 issue of *SAMUDRA Report* talks of some major flaws, and even hints at the need for some top management changes.

Four years ago, I was invited by MSC to attend a meeting of 'senior advisers'. After reading a lot of written material, talking to people and participating in the discussions, I wrote up some recommendations, which I submitted to MSC's board. My feeling is that they were never heeded. But I believe that some of those recommendations are still relevant, particularly in view of what we have read in the March issue of *SAMUDRA Report*. What follows is a selection of those recommendations.

MSC should give priority attention to three important and inter-related issues: (a) public image and publicity; (b) cost and financing of certification; and (c) principles and criteria. Undoubtedly, public image and publicity are key to MSC's success, for its image in the eyes of both fishermen and consumers at large will determine the demand for MSC's logo. Therefore, MSC must make up its mind on the public image it wishes to project.

Only a clear decision would enable a well-focused publicity campaign. Most of the audience MSC must address—fishing people, in particular—want clear-cut answers. At this time, MSC's image still appears rather hazy.

It seems that MSC may be reflected in the public eye mainly as one, or a certain combination, of the following characterizations:

- i. an environment and fishery resources-oriented public non-profit organization, which, through eco-certification, wishes to use market motivation to promote rational fisheries;
- ii. an enviro-business whose main interest lies in selling eco-certifications by promising customers that its logo would upgrade their products' market value (while ensuring its own profitable existence);
- iii. fishery industry's and related business' answer to extravagant 'green anti-fishing' statements and campaigns.

While MSC may, in fact, comprise all three characterizations, in the public eye these are not the same. Hence, once decided on, the preferred image should be resolutely publicized, notwithstanding different individual, business and ideological approaches and motives among MSC's sponsors, participants, activists and clients. In my view, a well-modulated combination of (i) and (iii) is the one that should bring about the most favourable attitude among both MSC's immediate clients and fish-products consumers at large.

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This piece by Menakhem Ben-Yami (benyami@actcom.net.il), a fisheries management and development adviser, based in Israel, appeared first in SAMUDRA Report No.38.

### • Certification costs

• In spite of the inertia of the already ongoing procedures, I am strongly advising against leaving the cost of certification and the financial arrangements involved to direct negotiations between the representatives of the fishery to be certified and the certifying consultancy firms, particularly, but not only, in Third World countries.

• An honest, corruption-proof ecolabelling business must, like justice, not only be done, but also be evident. The present procedure may seem, in the eyes of many, as leaving a door open to various 'arrangements' between the negotiating parties. My suggestion is that while the client fishery is required to bear the costs of the certification process, all financial arrangements are concluded between the certifying firm and MSC, which collects dues from clients and pays consultants. All parties should agree and make it legal that all financial relations between the certifiers and the certified would represent an offence. Leaving all financial relations to MSC would allow 'discounts' and 'soft payments' in deserving cases, especially when handling applications from small-scale fisheries in Third World countries.

• In the past, MSC discussed the option of adopting an approach intrinsic to small-scale fisheries in developing countries and, hence, specifically adapted principles and criteria, but decided against it. MSC's principles and criteria have been criticized in the press and at meetings as being unsuitable for small-scale fisheries that would not be able to meet such standards. MSC's present standards, say the critics, require the sort of management and data available only to fisheries in industrial countries, and by adopting them, MSC becomes another offshoot of 'bad' globalization, which favours the rich and the strong.

For example, the Nordic ecolabelling system proposes flexibility where data and management systems are missing. Accordingly, 10 years of stable catches and effort would indicate a sustainable fishery.

There is thus a need to discuss a revision of the principles and criteria, and either amend them so they would also fit small-scale fisheries and fisheries in developing countries such as Thailand, Indonesia, India and China—all major producers—or prepare separate principles and criteria for such fisheries, and regard fishing people and their communities as a part and parcel of the system to be sustained.

### • Aquaculture certification

In aquaculture, MSC should promote eco-certification of farmed fish for two main reasons: First, the share of farmed fish in total food-fish production, including marine and estuarine/lagunar species, will continue increasing, and cannot be ignored. Second, many aquaculture practices have become controversial from the point of view of the protection of marine habitats and wild stocks, and their high fishmeal requirements.

In order to avoid multiplication of mechanisms and logos, such certification should be implemented within the existing MSC system. MSC's decision should not be affected by possible or hypothetical commercial competition between the fish farming and capture sectors.

Eco-certifications would honour good practices, on the one hand, and, by default, censure bad ones, on the other. Some practices, like salmon farming along north America's west coast, or shrimp farming in mangrove habitats, have become rather explosive issues. Excess pollution also arises from cage farming

in inshore areas. Technological and other solutions are possible and might be expedited, should MSC achieve the desired prestige and market influence. However, for certifying farmed fish (and shellfish) specific principles and criteria would have to be drafted. These standards should cover contamination of fish raised in polluted environments or fed with contaminated fodder.

Another controversial issue is genetic modification of farmed species. In my opinion, where it isn't covered by legislation, MSC shouldn't take sides, but its relevant principles and criteria should allow, by default, eco-certification of genetically modified aquatic products, where it is legal.

Also online at: 

<http://www.icsf.net/SU/Sam/EN/38/art10.pdf>

# Being open, transparent, inclusive

Stefano Ponte

**Developing-country fisheries, and small-scale ones, in particular, have been marginalized in the Marine Stewardship Council certification system**

Protecting consumers from unsafe food, the environment from overexploitation of resources and pollution, and workers and producers from unjust labour and trade relations, are generally considered, in development circles, as objectives worthy of intervention whether through regulation or, increasingly, through the establishment of voluntary standards and codes of conduct. Yet, abstract principles are eventually applied in concrete situations and have a variety of effects on differently endowed countries, groups and individuals. What may seem a good idea to consumer groups or government agencies in a Northern setting, may not turn out to be so advantageous to producers in the South even though the initial stimulus in the North may have been exactly to safeguard these producers.

Food safety, environmental and social standards have become key features in the trade of agro-food products in the last 15 years. International organizations, government agencies, industry associations, and non-governmental organizations (NGOs) behind the formulation of these standards were initially defensive of efforts aimed at critically examining their effects in different settings. Questioning the inherent 'justness' of these initiatives was considered reactionary and necessarily intended to discredit them. Recently, there has been a more open attitude towards reaching a better understanding of the contradictions, limitations and differential impact of these standards. From a 'defensive' phase, these organizations and NGOs have now moved into a

'constructive dialogue' phase, where they are making efforts to be more inclusive (sometimes for public-relations reasons), and to reflect upon past experiences to improve the content, monitoring and management of their standards. In other words, they are trying to 'make their system management-right'.

This means that standards development procedures, governance structures, indicators, monitoring, verification and management systems have become much more sophisticated than even a decade ago. Where there has been little movement so far has been in acknowledging that standards are developed and applied in specific political economies, within complex power relations, and in extremely diverse local conditions and politics. In a sense, an increased focus on systems management brings these initiatives even further away from a politico-economic understanding of their effects.

The focus of much of the work to make ecolabels 'better' is based on the principles of non-discrimination and equality of opportunity. In this line of thought, explicitly adopted by the Marine Stewardship Council (MSC), if the system has been devised openly, is monitored transparently, and is administered properly, standards simply provide fuller information to those involved in transactions. Where clear disadvantages are highlighted for certain countries, groups or individuals, technical assistance and capacity-building instruments are provided, or simply suggested, as solutions.

This article, by Stefano Ponte (spo@diis.dk), Senior Researcher at the Danish Institute for International Studies, is based on a working paper published by the Trade Law Centre for Southern Africa, and appeared in SAMUDRA Report No.46.

### Smaller players

It follows that one of the arguments posed by environmental NGOs to defend their standards and codes of conduct is that they provide a level playing field for all players in an industry, and that affirmative action targeted at smaller players would damage their credibility. But, if anything, the Forestry Stewardship Council (FSC) special provisions for community forestry certification demonstrate the contrary.

Facilitating access to special projects for smaller fisheries' certification, improving outreach, and holding workshops in Africa or South Asia are not sufficient to make artisanal fisheries better equipped to be MSC-certified. As the only third-party ecolabel for capture fish, MSC bears responsibility for the inability of developing-country fisheries, in general, and artisanal fisheries in these countries, in particular, to be certified.

Exceptions are found only in some fisheries of upper-middle-income countries—South African hake, Mexican Baja California red rock lobster, and Patagonian scallop are all MSC-certified, while Gulf of California (Mexico) sardine and Chilean hake are currently undergoing assessment.

Does this mean that MSC is 'bad' and should be shut down? No. It means that an organization that portrays itself as open, transparent and inclusive should actually behave so. SAMUDRA Report has hosted a heated debate on the governance of MSC since its inception, although, for some reason, the debate has basically died out after 2002, with a small reprise in 2004. Perhaps this is because most will agree, rightly so, that the governance structure of MSC, its procedures and its market coverage have improved substantially in the 2000s.

Is this enough? No. The plight of 'sustainable fisheries' that can not achieve certification in developing countries, and

especially of small-scale fisheries in least-developed countries, has not been tackled seriously enough. Special flexibilities in the interpretation of certification guidelines are not sufficient. Barriers to achieving MSC certification in developing countries range from institutional weakness (lack of knowhow) to financial costs. Numerous projects and funds have been set up by, or with the contribution of, MSC. This is a welcome development, but the range of funding and the scope of activities involved are unlikely to help a substantial number of these fisheries to achieve MSC certification. For example, the 'Sustainable Fisheries Fund' can only make small grants to "help ensure broadbased stakeholder input into fishery assessments... It will not be in a position to support large-scale research projects" ("Funding support", SAMUDRA Report No. 32, July 2002 <http://www.icsf.net/SU/Sam/EN/32>).

### Three components

The costs of MSC certification to the client industry can be broken down into three components: (i) pre-assessment; (ii) fishery assessment; and (iii) annual audits. Pre-assessment costs range from a few thousand dollars to over US\$20,000. Direct costs for a full assessment have varied between under US\$35,000 for a small, simple fishery to almost US\$350,000 for a large, complex fishery. The overall cost of obtaining certification depends on the nature of the problems uncovered in the assessment and the corrective actions that have to be undertaken.

Furthermore, as the last article on MSC that appeared in SAMUDRA Report ("Amend principles, criteria", SAMUDRA Report No. 38, July 2004) highlights, financial arrangements for certification are left to private negotiation between clients and certification agencies. The same article calls for MSC to channel such negotiations, which would allow discounts and 'soft' payment options for

selected fisheries. It also calls for a revision of principles and criteria, either amending them to fit developing-country fisheries and small-scale fisheries, or devising a separate set of principles and criteria for these fisheries. Two years on, these calls have gone unheard.

To its credit, MSC has recognized that its standards and certification procedures are not geared towards the realities of developing-country fisheries, especially small-scale and data-deficient ones. A special program (MSC Developing World Fisheries Programme) has been seeking to improve the awareness of MSC in developing countries and to develop guidelines for the assessment of small-scale and data-deficient fisheries.

The project aims at developing guidance for certifiers on the use of 'unorthodox' information on fisheries, such as traditional ecological knowledge and management systems. It also aims at using a 'risk-based' approach to qualitatively evaluate fisheries. But the aim of this project is not to write a separate standard, but rather to develop 'operational interpretations' to assess small-scale and data-deficient fisheries.

There is evidence that MSC was advised on a different approach for implementing special systems of compliance and verification to cater to the needs of developing countries and small-scale fisheries. These suggestions included the development of *specific* indicators that are appropriate to developing-country fisheries, and the use of analysis of hazard (a specific threat to sustainability posed by the practice) when analysis of risk (the calculated probability of a practice having a negative impact) is not possible, practical or is too expensive.

Furthermore, and unfortunately, discriminating in favour of small-scale fisheries seems to go against the

'Guidelines for Ecolabelling of Fish Products' of the Food and Agriculture Organization of the United Nations (FAO). These guidelines include the need for independent auditing, transparency of standard setting and accountability, and the need for standards to be based on 'good science'. They also lay down minimum requirements and criteria for assessing whether a fishery should be certified and an ecolabel awarded, drawing on FAO's Code of Conduct for Responsible Fisheries. Unfortunately for artisanal fisheries in developing countries, transparency and inclusiveness in standard setting do not work retroactively. Also, instead of calling for special standards and verification systems to be applied in developing countries, the FAO guidelines simply call for 'financial and technical support'. This needs to be changed.

Elsewhere, in a paper for the Trade Law Centre for Southern Africa, I have analyzed the process of certification of South African hake, based on extensive fieldwork in the country in addition to a general assessment of MSC (*Ecolabels and Fish Trade: Marine Stewardship Council Certification and the South African Hake Industry*. <http://www.tralac.org/scripts/content.php?id=5212>). I highlighted that ecolabeling is not simply about science and management, but also about politics. I did not suggest that MSC itself played politics, but that to understand 'real-world' ecolabeling, one has to look at how certain interest groups use certification for their own purposes, and not necessarily for the welfare of fisheries and the environment. I also highlighted some problems with MSC's definition of 'certification unit', which, to my eyes, needs rethinking. I would like to summarize some of the findings here.

### Evolution process

MSC certification of the hake trawl industry in South Africa was the result of an evaluation process that lasted almost

two years, and that started with an application prepared by the South African Deep-sea Trawling Industry Association (SADSTIA), the body representative of most (but not all) hake-trawling companies in the country.

It helps understanding the motivations behind seeking MSC certification that, within SADSTIA, the drivers of the initiative were large companies that, at that time, had an interest in defending their quota allocation from further erosion to the benefit of other trawling companies and the longline industry. This threat was arising from the process of (belatedly) 'transforming' the post-apartheid hake-trawl industry. The overall cost of fishery certification to the industry was US\$100,000 in direct costs of certification, plus US\$100-200,000 to meet conditions in the mid-term.

The assessment conducted by the certification body resulted in a relatively high scoring on the first of the three principles of the MSC standard stock management (88 points out of 100; the minimum pass is 80). According to industry sources, this was expected, as there has been a relatively long history of proper monitoring of the resource in South Africa. In relation to the second MSC principle (ecosystem impact), the South African hake industry barely made the grade (80 points). Gaps were identified in four areas: (i) by-catch management; (ii) ecosystem relations; (iii) the impact of trawling on the benthic habitat; and (iv) the impact of trawling on seabird populations. In relation to the third MSC principle (fishery management system), the industry's score was relatively high (88 points).

In my working paper, I highlighted that MSC certification of the South African hake industry raises at least two problematic issues: (1) the trawling sector has been certified, but not the longlining sector even though they exploit the same

stock; and (2) there are questions about whether the stock is shared with Namibia, which is not certified either. I do understand that the MSC definition of 'certification unit' allows for the certification of one part of an industry but not another, even though they exploit the same stock. But adopting an unsuitable definition is a technical fix and does not, in itself, ensure 'sustainability' of a fishery.

### **Paradoxical situation**

Hake longliners (and handliners) have not been certified in South Africa, either because they lacked a strong association that could represent them and guarantee a proper management system or because they are one of the potential threats to the incumbent oligopoly. A paradoxical situation has thus been created, where the trawling sector in a fishery is certified as 'sustainable', while the smaller-scale longline sector catching the same stock is not. Yet, the overall stock is deemed to be 'sustainably managed'. Furthermore, since the MSC approach is to divide up fisheries into management units, even though they may share the same stock, the South African hake industry was certified without its Namibian sister industry, even though it is widely believed that they share the same stock.

A strict interpretation of sustainable management of stock would suggest that the South African fishery could only be 'sustainable' if both it and the Namibian fishery were certified, but the latter either did not want, or was not invited, to participate in the certification process. Therefore, the certification team stated that "although mixing [of the South African and Namibian stocks] will inevitably occur, from a fishery-management perspective, the South African hake populations may be considered as a discrete stock". Is this 'fishery management perspective' leading to better sustainability of the stock (one of the main objectives of MSC)?

· If one believes recent reports suggesting  
 · that the hake stock is in danger, and  
 · that catches are at historically low levels  
 · (*Southern Africa Fishing Industry News*, June  
 · 2006, p. 10; *Mail & Guardian*, 30 June  
 · 2006), perhaps some doubts are justifiable.  
 · Is South African hake going down the  
 · same way as New Zealand hoki did?  
 · (Both are MSC-certified.)

· In 2005, the South African hake industry  
 · was subjected to the first surveillance  
 · exercise by the certifying team. This  
 · resulted in a surveillance report released  
 · in May 2005 that covers progress in all  
 · the conditions that were set at the time  
 · of certification. The overall assessment  
 · of the monitoring team was a positive  
 · one, and continuation of certification  
 · was recommended, despite some major  
 · problems. No MSC-certified fishery has  
 · been de-certified so far. Is this an  
 · instance of 'path dependency' or a sign  
 · of improved management?

· South African observers of the fish  
 · industry made it clear that with the  
 · current rate of loss of scientists and  
 · managers at Marine and Coastal  
 · Management (MCM), the agency in charge  
 · of fisheries management, there will be  
 · no capacity to properly monitor the use  
 · and possible abuse of quotas. Thirty-five  
 · scientists have left MCM between 1996  
 · and 2005. In January 2005, two of the  
 · key management figures at MCM resigned.  
 · According to an industry source, current  
 · management at the regulatory agency  
 · lacks deep understanding of allocation  
 · issues. After the 2006 allocation, which,  
 · for the first time, assigned quotas for a  
 · period of 15 years (instead of one year, or,  
 · more recently, five years), compliance by  
 · industry to regulation is likely to decrease.  
 · A review of allocation should follow  
 · every two or three years to assess  
 · compliance with the terms of the  
 · allocation policy, but there is no capacity  
 · at the regulatory agency at present to  
 · undertake that.

Yet, whatever happens to MSC certification in South Africa, it is important to highlight that the drivers of the initiative have achieved two other objectives anyway. First, the longlining industry has not been allocated a higher proportion of the hake total allowable catch (TAC) in 2006. But, even more importantly, the regulatory agency, in its own policy that guided the 15-year allocation of 2006, formally embraced the argument that fewer players are better for conservation than a larger number of players. No new entrants were assigned quotas, and some of the smaller existing quotas were not renewed. Although some of the large companies lost a proportion of their quotas (a sizeable volume for one of the main players), the allocation of long-term rights is likely to create a secondary market for quotas. As a result, an even more concentrated industry may emerge in the mid-term (for details on the 2006 allocation of hake rights in South Africa, see Stefano Ponte and Lance van Sittert, "The Chimera of Redistribution", *DIIS Working Paper* 2006: 32; available at: [www.diiis.dk/sw29692.asp](http://www.diiis.dk/sw29692.asp)).

### Conservation discourse

MSC certification, far from being simply a neutral and equal instrument yielding better conservation for humanity, is achieved in the context of global and local competition, special-interest battles, and local politics. In South Africa, although couched in a discourse of conservation, MSC was one of the instruments used to justify positions in debates that had race relations and possible redressing of past wrongs under apartheid as the main issues at stake. It was played as a tool against the redistribution of quotas away from main, white-owned, quota holders to the possible benefit of black-owned smaller quota holders and new entrants within the deep-sea hake sector. It was also used

as a tool to avoid redistribution of quota away from the large, mainly white-owned, deep-sea trawling sector to the advantage of the mostly black-owned longlining sector. Local politics and the situated political economy of conservation do matter for 'sustainability' certifications.

Developing-country fisheries, and small-scale ones, in particular, have been marginalized in the MSC system. Only three fisheries in South Africa, Argentina and Mexico have been certified so far. Delivering 'sustainability' at no additional cost and in large volumes demands standards that are tough in terms of systems compliance, but actually quite approachable in terms of the thresholds of sustainability indicators. Entry barriers to 'sustainability' entail economies of scale and scope that require managerial resources and access to networks. Since managerial and systemic objectives are harder for developing-country actors to match, this creates a hidden imbalance in favour of more endowed participants.

Also online at:



<http://www.icsf.net/SU/Sam/EN/46/art01.pdf>

# The Dilemma of the Nile Perch

Uwe Scholz

**Ecolabelling could be a strategy to secure long-term market access of a fishing sector that secures the livelihoods of around 150,000 fishers in the Nile-perch fishery**

The Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH is an international co-operation enterprise for sustainable development, with worldwide operations. GTZ is a German federal enterprise, and supports the German government in achieving its development-policy objectives. The German Federal Ministry for Economic Co-operation and Development (BMZ) is one of its main clients.

Currently, GTZ is involved in a pilot project in Tanzania to introduce ecocertification in the fishing industry around the Nile perch (*Lates niloticus*), and is conducting a feasibility study in Senegal about the possibility of ecocertification. In October 2006, GTZ organized a regional workshop in Nairobi to explore the possibility of ecolabelling in Lake Victoria. GTZ is also promoting responsible aquaculture, *inter alia*, through the introduction of environmental and social standards and guidelines for product certification. For example, with the support of GTZ, Naturland initiated their first pilot project for the organic production of shrimp in Ecuador.

The German market for Lake Victoria Nile perch has gone through numerous ups and downs since its introduction in the 1990s. Consumer opinion shifted between 'fish of the month' and an 'African nightmare', based on the documentary film *Darwin's Nightmare*, which, due to a very negative presentation of the Nile-perch industry and the region,

raised a lot of concerns. This article clarifies certain problems, and proposes ecolabelling as a strategy to secure long-term market access for a sector that, at present, secures the livelihoods of approximately 150,000 local fishers.

A lot has been published on the effects of the Nile perch's introduction into Lake Victoria, most of it controversial due to a sudden intense predation and reduction of the unique, indigenous cichlid stocks.

Therefore, opinions range, in general, from criticism as an ecological catastrophe to the appraisal as an economic success story, based on the significance of the fishery for local incomes, employment and export revenue for the riparian States of Kenya, Tanzania and Uganda. The latter comprised approximately US\$250 mn in 2004. Representatives of the African States repeatedly refer to these facts to stress the importance of the Nile-perch fishing sector.

## Chemical use

During recent years, cases of contamination of fish consignments, the outbreak of a local cholera plague, and the alleged use of chemicals during fishing operations led to import bans into the European Union, resulting in local unemployment and a huge loss of foreign exchange. A detailed analysis of all the published pros and cons related to the introduction of the Nile perch would be very timeconsuming. Therefore, the following statements should be

This article by Uwe Scholz (uwe.scholz@GTZ.de), Programme Adviser, Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ), was earlier published in Eurofish Magazine 6/2006 and also in Globefish (<http://www.globefish.org/index.php?id=3513>), and carried in SAMUDRA Report No. 48.

sufficient. Since its introduction into Lake Victoria, the species has established itself well and has become part of the fish fauna. It can no longer be removed or controlled to such an extent that the indigenous cichlids will not be subject to predation. The full history of the introduction is still a bit vague, as the only documentation available concerns the release of a limited amount of perch in February 1954 into Lake Kyoga, which is located downstream of Lake Victoria—at this time still separated by the Owen Falls. Today, Nile perch accounts for about 50 per cent of the landings, followed by the lake sardine (*Rastrineobola argentea*, locally named *dagaa* or *omena*) and larger cichlid species such as the Nile tilapia (*Oreochromis niloticus*), a species that was also introduced during the 1960s. Lake sardines are today the major staple source of protein supply for the local population, while tilapia are the preferred fish species for consumption in urban centres. In other words, the fish fauna of the lake is not, as is often stated, entirely depleted of all species except the Nile perch. A lot of indigenous fish species have found long-term protection in the rocky shores or overgrown shallow waters of the lake.

The current discussion about Nile perch is clearly dominated by a ‘European’ point of view, that is, one focused on pure nature and species conservation. Stated facts are often similar to the dialogue concerning animal protection in African nature reserves, in particular, the militant rejection of partly necessary cutback of abundant species that become destructive for people and the environment, for example, elephants. Debates and controversies are both useful and essential, since they draw attention, and may lead to an increased support for African countries in their attempts to cope with the problems. However, the deliberations are often dominated by an inflexible animal-rights

viewpoint. A similar discussion in relation to a proposed culling of dangerous elephants in Malawi led a Chief of the Angoni to make the following statement: “They (the Europeans) love animals more than us.”

In a region where the survival of the population is dependent on fishing, and issues like social security or compensation for loss of earnings are nonexistent, people see no direct benefit in a fanatic protection of, for example, indigenous cichlids. For that to occur, income from aquarium-fish trade (which has still to be established) or ‘cichlid tourism’ should exceed income from Nile-perch fishing, which is unlikely to be the case.

A complete ban of the Nile-perch fishery, as demanded by the environmental organization Greenpeace, is not a solution, because the fish has established itself firmly in the ecosystem, and should rather be fished and consumed. It thus makes more sense to make use of the species, while, at the same time, paying attention to social and environmental aspects and, in doing so, trying to improve the livelihoods and living conditions of the local population. To do this, local initiatives for better fisheries management at the village level (beach management groups) and the regional Lake Victoria Fisheries Organization (LVFO), which co-ordinates the management efforts of the fisheries departments, should be supported.

Ecolabelling aims at producing and marketing fish in an ecological and socially compatible way. In the case of Lake Victoria perch, a labelling process such as that of the Marine Stewardship Council (MSC) would be a suitable tool, but it would have to be modified to the conditions of the African small-scale fishery in conjunction with capacity development of accredited local certifiers.

*The current discussion about Nile perch is clearly dominated by a ‘European’ point of view, that is, one focused on pure nature and species conservation.*

*An additional prerequisite would be that consumers in Europe are prepared to pay a premium for ecolabelled Nile perch, and that fishermen involved in better fisheries management practices would benefit from this added value.*

· An additional prerequisite would be that consumers in Europe are prepared to pay a premium for ecolabelled Nile perch, and that fishermen involved in better fisheries-management practices would benefit from this added value. The prerequisite of the price premium seems to be, meanwhile, accepted, as more and more trade chains and wholesalers have reacted to consumer pressure by offering a variety of MSC certified products.

· GTZ has gained a lot of experience with development co-operation projects in the fisheries sector worldwide. In cooperation with MSC and other partners like the Food and Agriculture Organization of the United Nations (FAO) and the World Wide Fund for Nature (WWF), GTZ is currently in the process of developing a concept for an increased support of the Developing World Programme of the MSC, which also targets tropical small-scale fisheries like the Lake Victoria Nile perch fishery. In a GTZ-supported stakeholder conference in Nairobi, during 4-6 October 2006, Lake Victoria was chosen for ecolabelling pilot initiatives, implemented under the co-ordination of the LVFO. The regional fisheries organization additionally received a mandate from the fisheries ministers of the riparian States, in July 2006, to assess the potential of ecolabelling.

· According to Thomas Maembe, LVFO Executive Secretary, ecolabelling pilot initiatives are welcome, and will be supported by the States concerned, as transparency, good fisheries management and labelling are seen as tools for long-term market access of Nile perch fisheries products to the important European markets. They are also seen as being of benefit to the population living around the lake, which sometimes hardly has any alternative to fishing.

· In this regard, GTZ will co-finance a

MSC pre-assessment of Lake Victoria, together with the German processors and importers association, Bundesverband der deutschen Fischindustrie und des Fischgroßhandels e.V. All parties have agreed to participate, and the project will commence once the administrative handling is arranged.

Since March 2007 a pilot project for ecolabelling the Nile-perch fishery in Lake Victoria has been running in Bukoba, Tanzania, in order to gain some first-hand experiences about the bottlenecks. Partners in this process are the European importer, Anova, the local Processor, Vicfish, and the certifier, Naturland. The first results are not expected before end 2007.

In recent months, GTZ has also provided backstop for an MSC initiative in Senegal. In May 2007, a feasibility study for the MSC on Senegalese small-scale fisheries was commissioned. This study is currently in the validation process, and findings will be announced in due course.

Also online at:

<http://www.icsf.net/SU/Sam/EN/48/art02.pdf>

# Certifying the Certifiers

Paul Molyneaux

**Ecolabelling may well be a short-term solution to maintain the status quo of industrial fisheries and international trade in high-value species**

On 13 October 2008, at Bangkok, Thailand, the Food and Agriculture Organization of the United Nations (FAO) opened its first conference dedicated to smallscale fisheries. Titled “Securing Sustainability in Small-scale Fisheries” (4SSF), the conference was a long time in the making. Prior to its opening, at the end of a Civil Society Preparatory Workshop, representatives of smallscale fishers from over 30 countries signed a Statement listing their concerns on a wide variety of topics, including ecolabelling. Article 22 of the Statement called on FAO, other United Nations agencies, regional fisheries bodies and national governments to categorically reject ecolabelling schemes.

While recognizing the value of area-specific labelling that could identify ecologically and socially responsible fisheries, small-scale fisheries representatives sent out the clear message that ecolabelling by organizations like the Marine Stewardship Council (MSC) is just a tool for the industrial sector, and does not help small-scale fishers. Well-known for slapping ecolabels on trawl fisheries, including some that have collapsed, and a fishery for the notoriously overfished Patagonian toothfish, the MSC—a child of two multinational parents, Unilever and the World Wildlife Fund or World Wide Fund for Nature (WWF)—took a drubbing throughout the conference.

Kurt Bertelson, of the Denmarkbased non-governmental organization (NGO),

Living Sea, called MSC a “money machine”. “Today MSC is closely connected with the privatization and capitalization of fisheries,” he said, noting that MSC criteria fail to look at the energy footprints or social impacts of the fisheries it certifies. He added that the need for capital and profit in many of MSC’s certified fisheries would come at a cost to resources and ecosystems. “MSC defends itself by saying its certification will solve the problems of small-scale fishers. But promises without time frames may mean that there are no small-scale fishers left to be taken care of,” said Bertelson.

In general, ecolabelling was seen as a short-term solution to maintain the status quo of industrial fisheries and international trade in high-value species, which has often led to the collapse of fisheries. Ecolabelling was seen as a means by which powerful countries could continue to exploit, and profit from, fisheries in developing countries, opening markets for those who can meet ecolabelling’s questionable criteria and closing those same markets to others.

“By no flight of imagination are fisheries in most countries anywhere near the standards that are employed by MSC to assess certifiability,” said Sebastian Mathew of the International Collective in Support of Fishworkers (ICSF). Noting that efforts to bring certification to small-scale fisheries in developing countries are largely “donor-driven,” Mathew suggested that MSC channel its resources into direct assistance to improve fisheries management in

This piece by Paul Molyneaux (moly213@gmail.com) a fisherman-turned-writer from Maine, United States, was carried first in SAMUDRA Report No. 51.

*...ecolabelling was seen as a short-term solution to maintain the status quo of industrial fisheries and international trade in high-value species, which has often led to the collapse of fisheries.*

developing countries, rather than impose certification schemes that are seen by many as nondemocratic. “Once the management regimes are in place,” said Mathew, “let the fishers and their communities decide if it makes sense to go the MSC way, or, for that matter, any other way to recognize their products in the marketplace.”

Article 22 of the Civil Society Statement offers the alternative of area-specific labels. Informal areaspecific labels can identify products harvested under management regimes that ensure social and ecological sustainability. Such regimes can be, and have been, documented by numerous objective observers, from NGOs to the media, through transparent processes and widely accepted indicators. Informal area-specific labels benefit all participants in well-managed fisheries, particularly small-scale fisheries, without subjecting them to an arbitrary and often expensive hazing. These are the labels appropriate for an open and equitable society.

#### **Complex schemes**

Corporate-driven ecolabelling schemes move in the opposite direction. “I do not believe small-scale fisheries will benefit from a scheme like that of MSC,” said Johan Williams, director general of Norway’s Department of Marine Resources and Environment. “Ecolabelling schemes are most complex,” he added. “They require a lot of documentation, both on stocks and the actual fishing. Obviously, this is easier to accomplish in industrial fisheries.” While Williams believes market forces can be used to promote better management, he does not see any market advantage for small-scale fishers. “It is obvious that the industrial fisheries that supply bigger buyers will win any competition with smaller actors,” he said.

Some markets propose to buy only certified fish, locking out potentially sustainable fishers. For those who can pay to play their game, however, such markets create ‘protection’ systems, similar to those used by the mafia. On a slightly less sinister level, having organizations with vested interests in promoting and issuing labels, each according to its own criteria, can lead to a confusing array of labels on questionable products. One Swedish NGO has ecolabelled farmed salmon, mass production of which is clearly unsustainable, and MSC has ecolabelled Alaska pollack, a fishery headed for trouble.

At this rate, we will soon need an organization to certify the certifiers. It would be better, as many of the participants at the Bangkok meet suggested, to establish a global economy that distributes wealth equitably and balances the interests of seafood trade and local consumption, all based on ecological and social responsibility.

Also online at:

<http://www.icsf.net/SU/Sam/EN/51/art09.pdf>

# Work Together for Community-based Fisheries

Michael Sutton

**Rather than “bash” the Marine Stewardship Council, it would be better to work with it to help small-scale fishing communities prosper**

The previous issue of *SAMUDRA Report* (No. 51, November 2008) contains an article entitled “Certifying the Certifiers” that makes the same argument we have heard for years: that ecolabelling initiatives somehow will disenfranchise small-scale fishermen. The author claims that the Marine Stewardship Council (MSC) ecolabel will only “maintain the status quo of industrial fisheries”.

Tell that to the hundreds of small-scale fishermen in Mexico and elsewhere who already benefit from certification of their fisheries under the MSC’s programme. For example, the MSC label is helping community-based spiny lobster fishermen from Puerto Abreojos on Mexico’s Baja Peninsula open new markets and get more money for their product. Their experience has encouraged other small-scale fishermen on Mexico’s Yucatán Peninsula likewise to seek certification of their lobster fishery in the Sian Ka’an and Banco Chinchorro Biosphere Reserves. More than 70 per cent of the spiny lobster caught in Mexican fisheries is exported to the United States and Europe, where ecolabels are increasingly sought by corporate seafood buyers, chefs and consumers alike.

Today, community-based fishermen in Mexico are getting more for their catch, and winning powerful support for better management of their fisheries through their participation in the MSC’s programme.

When the MSC was founded in the mid-1990s, Sebastian Mathew of ICSF and I debated at length whether ecolabelling would ever help smallscale fishermen. Our exchange of letters was published in *SAMUDRA Report* (reproduced in “Fish Stakes”, *SAMUDRA Dossier*, 1998, available at [http://icsf.net/icsf2006/uploads/publications/dossier/pdf/english/issue\\_56/ALL.pdf](http://icsf.net/icsf2006/uploads/publications/dossier/pdf/english/issue_56/ALL.pdf)). In those days, neither of us had much actual experience on which to base our assertions. Today, we know a lot more. In the intervening years, the MSC has gone to great lengths to assure that its certification and ecolabelling programme will benefit communitybased fisheries.

In fact, a fishing community in northern Brazil once asked to have their fishery assessed under the MSC’s standards, knowing they wouldn’t pass muster. The fishermen then used the results of that pre-assessment to lobby their government to improve its management of the fishery so it could qualify for certification and access to new markets.

## Small-scale fisheries

Based on that and other experiences helping small-scale fisheries, the MSC’s Technical Advisory Board launched an effort to help certifiers determine how best to assess fisheries for which few data are available. The Sustainable Fisheries Fund, based in Sacramento, California, was set up to help small-scale fisheries defray the cost of assessment. Over the years, the MSC and its

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This Letter to the Editor comes from Michael Sutton (msutton@mbayaq.org), Vice President and Director, Centre for the Future of the Oceans, Monterey Bay Aquarium, California, US, was carried in *SAMUDRA Report* No. 52.

*...the MSC has gone to great lengths to assure that its certification and ecolabelling programme will benefit community-based fisheries.*

· supporters have demonstrated that they not only care about smallscale fisheries and the communities they support, but are willing to help them qualify for certification.

· I have great respect for ICSF and its mission. But to continue its tradition of “MSC bashing” based on vague, inaccurate assertions and tired rhetoric seems counterproductive. It seems to me that your constituents would be better served by working with the MSC to ensure that it does everything possible to help small-scale fishing communities prosper and foster more effective management of their fisheries.

Also online at:



<http://www.icsf.net/SU/Sam/EN/52/art07.pdf>

# Changing Retail Landscape

Cathy Roheim

**The sourcing of sustainable seafood products for the US retail market has implications for seafood suppliers in developing countries**

When Wal-Mart announced in 2006 that it planned to purchase all of its wild-caught fresh and frozen fish for the United States market from Marine Stewardship Council (MSC)-certified fisheries by 2011, it was greeted with a mixed reception. There were those who wondered what the motivation of the corporation was in making such a decision, since many believed the typical Wal-Mart customer would not be willing to pay a premium for sustainable seafood. As the world's largest retailer, with worldwide revenue of over US\$404bn in 2009, there was also great uncertainty whether Wal-Mart could fulfill this pledge. In striving to meet the goal, questions were raised on the impact on those fisheries supplying products to Wal-Mart. Furthermore, it was wondered whether this move would be followed by other retailers in the US.

This is just one example of how the landscape of seafood retailing in the US market has changed considerably in the past several years. While not all United States (US) retailers have followed Wal-Mart's lead to the extent of pledging 100 per cent sourcing from MSC-certified fisheries, an increasing proportion of the consumer-facing market (including national chain supermarkets, chain restaurants and food-service companies, as well as independent grocers and restaurants) have developed seafood sourcing policies that incorporate sustainability as a requirement. As a result, this has had a ripple effect on the rest of the supply chain to influence their seafood sourcing policies from domestic and imported sources. This includes

purchasing an increasing amount of their wild and farmed seafood from sources deemed sustainable by either ecolabelling (third-party certification) programmes or other seafood recommendation programmes, such as seafood guides created by aquariums.

This article will briefly describe the sustainable seafood landscape within the US market, the motivations for the sourcing policies of the retail sector, and the implications for seafood suppliers in developing countries.

Two primary ecolabelling programmes currently provide the US retail sector with ecolabelled products, one for capture fisheries and one for aquaculture. The most widely adopted international ecolabelling programme for capture fisheries comes from the MSC, which certifies capture fisheries based on the environmental impacts of the fishery, as well as the management of the stock. Products from MSC-certified fisheries are sold throughout the US retail sector, although not all of it is marketed with the MSC logo. MSC-labelled products are sold in many different supermarkets, but brand recognition remains relatively low among consumers. With respect to aquaculture, the Global Aquaculture Alliance (GAA), with its partner organization, the Aquaculture Certification Council (ACC), has standards to certify farmed shrimp, channel catfish and tilapia to best aquaculture practices (BAP) standards, and is launching additional standards for other species. Darden Restaurants, the parent company of the Red Lobster

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This article by Cathy Roheim (crw@uri.edu), Professor, Department of Environmental and Natural Resource Economics, and Director, URI Sustainable Seafood Initiative (a RI Sea Grant and College of Environment and Life Sciences programme), University of Rhode Island, Rhode Island, US, was carried in SAMUDRA Report No.55.

*Two primary ecolabelling programmes currently provide the US retail sector with ecolabelled products, one for capture fisheries and one for aquaculture.*

restaurant chain, has been a strong supporter of the GAA. Ecolabelled farmed shrimp from the ACC can be found in several supermarket chains, including Wal-Mart and Target.

Besides ecolabelling programmes—since not all fisheries and aquacultured species are yet certified and there are competing points of view on certification—another primary means by which the retail sector may determine sustainability of seafood products is based upon recommendations made by environmental groups, including the Blue Ocean Institute, and aquariums. These programmes have evolved in the past decade to recommend to consumers and businesses which seafood products to buy or not buy, based on a variety of environmental criteria. Recommendations are often structured using categories such as ‘best choice’, ‘good alternative’, and ‘fish to avoid’, generally in combination with the use of traffic light colourcoding to create green, yellow and red lists. Consumer guides come in the form of wallet cards, Internet guides and telephone guides on recommended fish products. The Seafood Watch programme of the Monterey Bay Aquarium (MBA) in Monterey, California, is the most prolific and perhaps successful of these programmes, which currently advises major food-service distributors, such as the Compass Group and Aramark, on their seafood sourcing decisions. Other aquariums, such as the New England Aquarium in Boston and Shedd Aquarium in Chicago, operate business-to-business programmes that provide advice to seafood companies on appropriate sources of seafood.

The seafood recommendations of programmes such as the MBA will typically recommend products from MSC-certified fisheries, although it recently changed its rating of MSC-certified Alaska pollock from a ‘best choice’ (or green list) to a ‘good alternative’ (or yellow list) item due to concerns

about bottom trawling. Products such as farmed and wild tropical shrimp, despite certification by programmes such as the GAA, remain on the ‘fish to avoid’ (or red list). Thus, clients such as the Compass Group state that they have reduced their purchases of farmed shrimp as a result of these recommendations. This recently changed when the Compass Group announced that it would source farmed shrimp from Contessa Premium Foods, with the approval of the MBA.

### **Certification programme**

Whether this will further change once the Aquaculture Stewardship Council (ASC) becomes operational with its certification programme, and subsequent ecolabelling, for farmed shrimp and other species, remains to be seen. The ASC programme will be based on standards developed after extensive dialogues held for various species by the World Wildlife Fund which has had significant stakeholder input.

Given that ecolabelling and seafood recommendations both play a large role in sustainable sourcing policies for the US retail sector, one might then ask what motivates the retail sector in pursuing these policies. For example, what motivated Wal-Mart to pledge to source 100 per cent of its fresh and frozen wild fish from MSC-certified fisheries by 2011? Is it because environmental groups have pressured industry to act, or are consumers demanding sustainable seafood? The actual answer is more complex than either of those posited answers. At the moment, it is certainly a form of corporate social responsibility (CSR), more so than shoppers requesting it. Corporations want to protect their brand image and to do the right thing. Working with environmental groups in a positive fashion is one way to avoid possible negative risks to their brand image. But CSR contains real economic

factors as well. For example, in a recent survey we conducted of major US retailers, restaurants, food-service operators and distributors, we found several reasons why they are sourcing sustainable seafood. Among them is the need to promote sustainable fisheries to avoid losing sources of supply due to stock depletion, which imposes real costs to their businesses. Traceability via chain-of-custody certification helps ensure that they are not buying illegally harvested fish. In the current economic conditions, most companies state that these policies are costing their firms more, costs they do not expect to recover from the consumer in the short term. However, recognizing that sustainability is not costless, these firms anticipate that these costs may be recovered from consumers some time in the future, particularly as the global economy recovers.

All this raises several potential issues of concern for developing countries that export to the US. The US imports over 80 per cent of its seafood, and a significant proportion of that comes from developing countries. The US imports seafood from many countries, but among the top 10 in value are China, Thailand, Indonesia, Vietnam, Ecuador and India. China is slightly unique in that a substantial amount of fish is exported to China from developed countries such as the US, Norway and Russia for processing and re-export.

While the trend is toward sustainable seafood sourcing, it is still true that not all of the US market is focusing on sourcing sustainable seafood. However, if policies of sourcing sustainable seafood become the norm in the US retail market, and the definition of 'sustainable' is set by certification programmes and environmental groups, it becomes quite important whether seafood from developing countries meets the 'sustainable' definition. If it does not, market access

may be hindered, resulting in real implications for food security in those nations that depend upon international trade of seafood for income and livelihoods.

Determination of 'sustainable' is done differently, depending on whether one is using the seafood recommendations, such as that provided by the MBA, the MSC, the GAA, ASC, or any one of the many other groups involved in determining sustainable seafood not mentioned here due to space limitations. In the case of seafood recommendations, while relevant documents are posted online, the standards used have not been created in a stakeholder participatory process, the assessment process is not transparent, open and participatory, and of the numerous guides in existence, standards across guides are not necessarily the same.

#### Assessments

In addition, developing nations are at a disadvantage in at least two respects. First, in many developing-country fisheries, collection and maintenance of data is a difficult and costly task, making it difficult to prepare assessments either for certification or for recommendations by groups such as the MBA. This makes it less likely that products from developing countries will be on a 'green' or 'yellow' list; or become certified. A second area of concern relates to the so-called 'fish to avoid' or 'red' list. When a product from developing countries does end up on a red list, there is generally little funding available to producers from developing countries to mount a counter publicity campaign if they believe this recommendation was awarded in error.

Ecolabelling programmes address both of these developing-country concerns better than do the approaches of seafood recommendations. For example, the MSC has launched its Guidelines for the Assessment of Small-scale and Data-

*These programmes have evolved in the past decade to recommend to consumers and businesses which seafood products to buy or not buy, based on a variety of environmental criteria.*

*While the trend is toward sustainable seafood sourcing, it is still true that not all of the US market is focusing on sourcing sustainable seafood.*

deficient Fisheries project, in which experts and representatives from developing countries which do not have 'Westernized' or 'institutionalized' scientific data, research and management programmes in their fisheries can meet the sustainability standards without compromising the MSC standards. The number of developing-country fisheries which are certified has increased. Aquaculture certification will make even more progress in this area as much aquaculture production is done in developing countries. Ecolabelling programmes reward producers who fish with sustainable practices or use responsible fish farming practices, as the latter may provide blanket recommendations against entire fisheries according to country of origin, catch area or gear types and farmed species. Ecolabelling allows consumers to easily recognize, for example, farmed shrimp from responsible aquaculture producers, or pole-and-line tuna, in ways that current mandatory labelling regulations and seafood recommendations cannot.

Finally, competition between certification programmes for both capture fisheries and aquaculture may lead to multiple ecolabels on seafood products in the US retail market. For capture fisheries, the MSC is the largest and most well known, but other programmes are Friend of the Sea and NaturLand. In aquaculture, the GAA and ASC will soon be competing. This raises a number of additional issues. As for international trade, exporters, especially those from developing countries, do not want to be faced with requirements to meet multiple standards required of multiple certification organizations in order to obtain multiple labels. That would impose tremendous costs. In addition, there is valid concern about consumer confusion over a profusion of labels.

As the landscape of the US retail market is changing to promote sustainable

seafood, this does not imply only issues of concern for developing countries. It is worth concluding on a positive note. Several companies in the US (and elsewhere in the world) recognize that their key to survival in the seafood business relies on the survival of the resource. As such, private initiatives funded by corporations are investing in the sustainability of supply sources. This has created direct investment in communities, gear technologies, data collection and other initiatives in fisheries in the developing world to promote sustainability. Such initiatives, combined with more traditional initiatives such as aid to improve governance of resources for sustainability, will result in an improved resource base and global markets. While these efforts may only be fledgling at this point, they should certainly be encouraged as a step in the right direction.

Also online at:

<http://www.icsf.net/SU/Sam/EN/55/art02.pdf>

# Winning with Certification

Oluyemisi Oloruntuyi

**The Marine Stewardship Council is making progress in addressing the issues of certification of small-scale and developing-country fisheries**

The Marine Stewardship Council (MSC) was established to harness concern at the state of fisheries resources, as a mechanism to reward and encourage responsible fishing practices. Since the organization was established about ten years ago, the interest in fishery certification and ecolabelling as a conservation and economic tool has grown significantly. Seventy-two fisheries have been certified to the MSC standard, thousands of tonnes of seafood of over 60 different species are eligible to use the MSC seafood ecolabel, and an increasing number of retail organizations worldwide have formalized their commitment to source seafood caught in a sustainable manner. These developments reflect the increased consciousness of the individual and collective responsibility, and of the many opportunities that exist, to reduce the impact of fishing activity on the natural environment.

Developing-country fisheries are a source of two-thirds of the world's fish production and account for half of the world trade in seafood. Smallscale fisheries directly support the livelihoods of well over 95 per cent of the world's fishers, the majority of whom are in developing countries. Mechanisms which allow good practices in small-scale and developing-country fisheries to be rewarded in the marketplace can play an important role in ensuring the continuing viability of these resources and the long-term sustenance of the livelihoods that are dependent on them. Working with these fisheries remains an integral component of the MSC programme.

The number of developing-country fisheries and small-scale fisheries in both developing and developed countries that are formally in the MSC programme, now numbering well over 30 fisheries, is on the rise, following what was a more measured level of uptake in the early days of the MSC.

There are a range of factors that account, to some extent, for the initial low levels of participation of developing-country and small-scale fisheries in the MSC. Some of these relate to an initial disinclination to engage in ecolabelling due to the more broadly held concerns about its possible effect on international trade.

With time, it has become clearer that with an ecolabel and certification programme that is operated credibly and transparently and consistent with relevant internationally agreed frameworks, there can be very significant ecological, economic and social benefits for developing-country fisheries.

## Consumer preferences

Another factor is likely related to the seafood preferences amongst the developed countries' retailers and individuals who generally tend to be typical, early adopters of 'green', ecolabelled products. The seafood preferences of the early adopters of ecolabelled products had implications for the type of seafood, and, consequently, the geographic origin of fish for which there was an initial incentive to bear the MSC label on product. With the

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*Developing-country fisheries are a source of two-thirds of the world's fish production and account for half of the world trade in seafood.*

practice of sustainable seafood purchase becoming less niche, the interest in ecolabelled seafood has grown beyond the initial focus on the more temperate, white-fleshed species which were favoured by consumers in early-adopter countries such as the United Kingdom (UK), Germany, and the United States and has shifted towards much broader and more mainstream range of species types from more diverse geographic origins. There are other factors that have likely constrained a higher level of participation from developing-country fisheries. These include issues such as limited availability of the scientific data which is needed as evidence of sustainability; the cost of certification, which includes both the cost of auditing and cost of making improvements in the fishery to meet requirements of the standard; limited availability of local auditing capacity in some parts of the world; and paucity of formal or informal management measures and infrastructure in some fisheries. These are features that are common, although by no means exclusive, to developing-country fisheries and which need to be factored into any efforts to facilitate participation of these fisheries in ecolabelling.

The last few years have seen a range of developments within and external to the MSC which are addressing these issues. These developments have contributed to ensuring that more developing-country fisheries are able to participate in, and benefit from, certification. They include work by the Food and Agriculture Organization of the United Nations (FAO) to develop and adopt international fisheries ecolabelling guidelines and by the MSC to develop an assessment approach for data-limited fisheries. Other significant developments are the many multistakeholder partnerships that are being developed between fisheries, nongovernmental organizations (NGOs),

the private sector and governmental organizations to support and provide capacity to fisheries using the MSC assessment process as a framework.

It also includes the ongoing efforts to increase awareness amongst stakeholders of the role and use of ecolabelling as a conservation and value-added marketing tool. Some of the key organizations developing partnerships to assist fisheries through the MSC process include the World Wide Fund for Nature (WWF) and the Sustainable Fisheries Partnership (SFP).

The FAO guidelines for the ecolabelling of fish and fishery products from marine capture fisheries provide an international framework for the operation of fisheries ecolabelling schemes, and the adoption, in 2005, of the guidelines by the FAO Committee on Fisheries (COFI) represented an important milestone in the unfolding narrative of seafood ecolabelling.

### **Chain of custody**

Key features of the guidelines are the provisions on institutional and procedural requirements for accreditation, certification, standard setting, chain of custody and conflict-resolution procedures and the minimum substantive requirements and criteria. The FAO guidelines are intended to be a voluntary policy tool. They, however, provide the global framework which is needed to ensure that ecolabelling programmes are implemented in a manner that is not detrimental to developing-country fisheries and ensures that concerns raised by developing countries are addressed.

A key attribute of the FAO guidelines is that they reinforce the importance of transparency, independence and openness to ensuring that all fishery types, and, particularly, developing-country fisheries, are able to access and benefit from ecolabelling schemes. The MSC programme

has a number of key features that ensure it is consistent with the FAO guidelines. These include third-party, evidence-based assessment of fisheries; transparent processes with built-in stakeholder consultation; and a fishery standard based on the three key components of the FAO minimum substantive requirements and criteria for ecolabelling (sustainability of target species, ecosystems and management practices).

The FAO guidelines recognize some of the constraints that developing-country fisheries may encounter, and, amongst other measures, call for financial and technical support from States, NGOs and financial institutions to developing-country fisheries that may be interested in certification. On the issue of limited availability of data, the FAO guidelines highlight the need for assessments to be appropriate to the fishery being assessed, stating that the use of a less elaborate approach in a fishery should not preclude certification. It specifically notes that precautionary approaches may necessitate lower levels of utilization when there is greater uncertainty.

During the 2009 COFI meeting, FAO mandated the secretariat with a task of identifying methods for assessing data-deficient fisheries that would facilitate their certification. This is an aspect that the MSC had identified as an issue for developing-country fisheries and, prior to this development within the FAO, had commenced work to develop a risk-based approach for use in assessments of data-deficient fisheries.

The MSC process recognizes that the approach to managing fisheries varies from one fishery to another. Management approaches range from the more sophisticated, data-intensive, complex systems characteristic of some types of high-value, highly intensive, developed-country fisheries to the less complex, less data-

intensive, often more informal management arrangements, common, but not exclusive, to smaller-scale, low-intensity, developing-country fisheries. These differences need to be factored into assessments against the standard. Nonetheless, the absence of quantitative evidence of ecological status in fisheries could indeed affect the ability of a fishery to become certified to the MSC assessment. This is because in addition to evidence that a fishery is using responsible fishing practices, the requirement for transparency in certification and ecolabelling programmes means that a certified fishery needs to have objective evidence that the desired sustainability outcomes for target stock and ecosystem health are being met. In recognition of the fact that some developing-country and small-scale fisheries may be operating sustainably but may not have the complex scientific data required to demonstrate the sustainable outcome resulting from their actions, MSC commenced work to develop a methodological approach to be used in assessments when data-deficient situations are encountered.

### **Integrated framework**

Following a period of development, testing and review, the MSC Technical Advisory Board, in June 2009, approved the final version of the Fisheries Assessment Methodology (FAM), which included an integrated Risk Based Framework. The Risk Based Framework is an integral part of the MSC's assessment methodology, which is triggered when a data-deficient situation is encountered in a fishery being assessed against the MSC standard.

The Risk Based Framework involves a qualitative or semiquantitative evaluation of proxies for scale, intensity, susceptibility and productivity. The method uses these proxies to determine risk values for fisheries being assessed against the MSC standard. These risk

*...the FAO guidelines highlight the need for assessments to be appropriate to the fishery being assessed...*

*Certification to the MSC standard provides a credible and measurable confirmation of a fishery's sustainability.*

values, in turn, provide a measure of the impact of the fishery against specific MSC performance indicators that would normally require detailed scientific data for their evaluation. The procedure requires a robust stakeholder input which, in addition to the embedded precautionary approach to scoring, ensures the outcomes of the assessments remain robust and credible.

The aim of the risk-based approach is to provide small-scale and data-deficient fisheries with a viable route to certification against the MSC's standard, while maintaining the scientific robustness that is characteristic of the MSC programme. The newly adopted approach is currently being used in the assessments of several small-scale and developing-country fisheries, including the Maldives pole-and-line and handline tuna fishery, the Sian Ka'an and Banco Chinchorro lobster fishery in Mexico, the Suriname Atlantic seabob fishery, and the Cornish sardine fishery in the UK.

Successful implementation of a fisheries certification scheme requires extensive engagement from a broad range of fisheries stakeholders. This is essential to ensuring that stakeholders have awareness of the MSC programme and have the capacity to initiate and participate in the certification process in a fishery. To develop this capacity, the MSC has worked with partner organizations in various countries in Asia, Latin America and Africa to increase awareness on the issue of fisheries certification and ecolabelling. They include WWF, which has been a key actor with many developing country and small-scale fisheries, International Union for Conservation of Nature (IUCN), Blue Ventures, Coral Reef Degradation in the Indian Ocean (CORDIO) in Africa, CeDePesca in Latin America, and SFP in Asia.

The work undertaken with partner organizations has included providing training on the MSC assessment processes and facilitating development of partnerships that can support fisheries efforts to become certified.

These efforts have led to opportunities for fishers and other stakeholders to identify fisheries that could benefit from certification, some of which have now partnered with other organizations to initiate early stages of the assessment process.

In order to build on its work with partners in developing countries, the MSC recently increased its on-the-ground capacity in the southern African region by opening an office in Cape Town, South Africa. This has enabled an increase in MSC's capacity to work with fisheries stakeholders in South Africa, Namibia, Tanzania, Kenya and Mozambique, with the result that a number of fisheries, including a lobster fishery in Kenya, an octopus fishery in Tanzania and an albacore tuna fishery in South Africa, have taken initial steps to formal participation in the MSC programme.

Certification to the MSC standard provides a credible and measurable confirmation of a fishery's sustainability. The value of fishery certification, in this context, has led to the use of the MSC programme as a framework within which stakeholder partnerships are formed around specific fisheries, and a programme of work undertaken to support the fishery through to certification.

The approach in these partnerships often involves using a pre-assessment to identify aspects of the fishery needing improvements, followed by identification and agreement on the activities that are needed to address these issues. The fisheries are then supported by these

partners to implement identified activities, following which the fishery can then apply for full assessment. The partnership arrangements often involve fisheries working with NGOs, commercial organizations, government organizations and funders who provide support for the development and implementation of action plans to help the fisheries meet requirements for certification.

Weak management systems have been identified as a particular constraint to certification for many developing-country and small-scale fisheries, and can often mean that these fisheries may not meet the requirements necessary for them to get certified. The approach described above is a route that has been used to help address this particular constraint.

An example of such a partnership is demonstrated in the Ben Tre clam fishery of Vietnam. The partnership involved WWF Vietnam, the Fishery Department and a bilateral partner working with participants in the fishery. WWF provided technical advice to help improve management in the fishery. The fishery was provided support by the partners to form a cooperative alliance to reduce illegal fishing activity and to strengthen the fishery's representation on the trading front. They were also supported in efforts to improve data collection. In another example, the Gambia sole fishery is being supported by the WWF West Africa Marine Ecoregion programme, in partnership with the Atlantic Seafood company, to address issues identified in an assessment of the fishery, with the aim of proceeding to a full assessment in due course. In Indonesia, stakeholders in the blue swimming crab fishery are working in a partnership with SFP, using the MSC pre-assessment process as a framework to address sustainability issues. In another example, the US-based Phillips Foods is working with other stakeholders towards certification of the blue swimming crab fishery in the Philippines. This is

being effected by undertaking an MSC pre-assessment that is being used as the basis for developing a fishery improvement plan. The partnership, which involves the private sector, NGOs and other key stakeholders in the fishery, has identified improved regulatory framework, establishment of a commission to support research, education and conservation, and establishing a resource management fund as the next key steps for improvement in the fishery.

### Ecolabelling

The key draw to certification and ecolabelling is that it provides a win-win situation in which there are benefits for the environment as well as for stakeholders associated with the fishery. Benefits of certification include ecological improvements such as reduction in bycatch, improved data collection, improved research, better management of target stocks, and policy changes in support of sustainable fisheries. Other benefits from MSC certification have socioeconomic impacts. These include access of fishery products to new markets, premium prices on products, improved supplier status for fishers, investments and other social benefits.

These benefits occur both in developed- and developing-country fisheries. In Mexico, the certification of the Baja California lobster fishery and the accompanying recognition of the sustainable practices of the fishers led to the communities becoming more empowered, and also led to an investment in social infrastructure by the government worth over US\$20mn. In Vietnam, certification of the Ben Tre clam fishery has led to more market opportunities for the fishery and a 25-30 per cent increase in product price. In Australia, the small-scale Lakes and Coorong fishery claims to regularly command premiums of 30 to 50 per cent for MSC-certified

*One of the requirements for certification is the presence of a framework that ensures that rights created explicitly or established by custom of people dependent on fishing for food and livelihoods, are addressed.*

· versus non-certified seafood sold in  
· restaurants in Sydney and Melbourne,  
· while the North Eastern Sea Fisheries  
· Committee sea bass fishery in the UK has  
· reported premiums of up to 25 per cent,  
· compared to local values, when selling  
· to restaurants.

· The MSC standard is primarily an  
· ecological standard. The standard,  
· however, includes requirements which,  
· in addition to the market benefits  
· mentioned above, have important social  
· impacts for fishers associated with  
· certified fisheries. One of the requirements  
· for certification is the presence of a  
· framework that ensures that rights created  
· explicitly or established by custom of  
· people dependent on fishing for food and  
· livelihoods, are addressed. There are also  
· requirements for management systems to  
· include recourse to appropriate dispute  
· resolution frameworks for stakeholders,  
· as well as requirements for an effective  
· consultation process that ensures that  
· the fishery management system is open  
· and participatory to all interested parties,  
· including fishers.

· To conclude, sustainable seafood sourcing  
· is becoming increasingly mainstream  
· practice. This trend has positive  
· implications for livelihoods, food security  
· and ecological sustainability in small-  
· scale and developing-country fisheries. In  
· order for these fisheries to benefit from the  
· practice of bringing sustainability into the  
· marketplace, ecolabelling must be bound  
· by a framework of equity, transparency,  
· accessibility and credibility. These  
· principles underpin the work undertaken  
· by the MSC to address issues that  
· potentially limit participation from  
· developing-country and small-scale  
· fisheries. Ongoing implementation will  
· ensure that many more of these fisheries  
· are able to benefit from the MSC's  
· certification and ecolabelling programme.

Also online at:



<http://www.icsf.net/SU/Sam/EN/56/art05.pdf>

# Labels from Paradise

Virginie Lagarde

**The artisanal fishermen of the Seychelles are experimenting with labels to promote responsible and sustainable fisheries**

For fishermen of the Seychelles, 14 December 2009 was a red-letter day. That was when the first consignment of 250 kg of labelled fish (red snapper, jobfish and groupers) was shipped to Rungis, the wholesale food market in Paris, much to the delight of French restaurateurs who are already demanding more of such fresh tropical fish, whose traceability is guaranteed by the label tagging done on board the fishing vessel by the fishermen themselves.

But behind the pretty, picture postcard image of the Seychelles as a tranquil holiday paradise lies the reality of a people whose daily lives are intimately bound up with the mercy of the ocean.

Strategically located in the middle of the Indian Ocean (1,800 km from the African coast, 1,100 km off Madagascar and 2,500 km from India), the Seychelles consists of 115 granitic and coral islands occupying a land area of 453 sq km (for comparison, France occupies 549,000 sq km).

The archipelago has an immense exclusive economic zone (EEZ) of 1,340,000 sq km, rich in fishery resources.

The 86,000 inhabitants of the Seychelles come from a melting pot of colour, culture and race, from five continents. Each family has some link with the marine world and artisanal fishers, especially hook-and-line fishermen, play the most important roles in the nation's fisheries.

The Seychelles produces 450,000 tonnes of fish per year, and nearly 4,000 people (about 15 per cent of the active population)

are engaged in fishing and fishery-related activities, which comes second behind tourism, as the country's most important economic activity, contributing to 40 per cent of its national income.

Industrial fishing was initiated in 1983 when around 40 tuna seiners, mostly of European (French and Spanish) origin began operating out of Victoria. The Seychelles' EEZ is very rich in tuna (yellowfin and bigeye), and 350,000 tonnes of tuna are landed annually, much of which is processed onsite by Indian Ocean Tuna (IOT), the second-largest cannery in the world, which employs over 2,000 people. Around a hundred foreign longliners annually harvest about 88,000 tonnes of tuna, swordfish, sharks and sea cucumber.

## Source of protein

Artisanal fishing accounts for an annual production of 4,000 tonnes of fish—emperors, red snappers, jack fish, jobfish and groupers represent 83 per cent of the catch, whereas mackerel, tuna, sharks and octopuses share the remaining 17 per cent, caught close to the shore. In a country where each inhabitant consumes an average 62 kg of fish per year (compared to 21 kg in Mauritius and 60 kg in Japan), fish is the primary source of protein and ensures food security for the population. The 1,700 or so fishermen who depend on the future availability of the Seychelles' fish resources face several difficulties, namely, rising living and operating costs, competition with industrial fisheries, environmental degradation, and climate change. From 2010, the certification of fish

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*The 86,000 inhabitants of the Seychelles come from a melting pot of colour, culture and race, from five continents.*

and fishery products as originating from legal fishing (not from illegal, unreported and unregulated or IUU fishing) will become mandatory for exports. Though good in principle, this new requirement could create problems with the amount of checks required for certification.

Hook-and-line fishing, which is selective of both species and size, is the oldest and most widely practised fishing technique among artisanal fishers in the Seychelles. Three types of line fishing are practised: set bottom fishing, ball bottom fishing (in which the bait—mackerel or bonito—and part of the line are coiled into a ball with sand) and bottom fishing adrift. The main catch is snappers (red snapper, humphead red snapper), jobfish, jacks and multicoloured groupers.

Until the 1980s, small-scale coastal fishing was carried out from wooden canoes made from almond trees, using traps, longlines or purse-seines. The liners originally used wooden whalers (open canoes with sails) or small schooners, all built of timber from the *takamaka* tree, which withstands rot. The most famous shipyards were those on the islands of Praslin and La Digue. For years, the fish was salted on board. This practice began to change in 1967 with the arrival of ice on the island of Mahé, through the service of the brewery Seybrew, the first industrial unit to manufacture and sell ice.

Today, whalers and schooners, of flamboyant colours and 6-16 m long, are built from fibreglass, more often in Sri Lanka, and equipped with diesel engines of 40-45 hp. Shipyards have virtually all disappeared from the Seychelles. The ones which survived, such as the Souris shipyard in Victoria, are adequate for maintenance and expansion services. Many owners prefer to refurbish boats rather than order new ones.

The fishing crew, exclusively male (with notable exceptions), consists of a skipper

and three to six crew members. They leave for the open seas for six to 12 days, up to the limits of the Seychelles continental shelf, between 20 to 100 miles (161 km) from Mahé.

Some even go as far as the Amirantes islands. Fishermen from Mahé leave port early in the morning from Victoria, Anse Royale, Anse Boileau or Bel Ombre. Those from Praslin leave from Baie Sainte Anne, while those from La Digue depart from La Passe. They sail at six knots to reach the fishing grounds, whose location is a jealously kept secret. As soon as the wind picks up, the sail is hoisted to save precious fuel. All vessels are equipped with a global positioning system (GPS) and a very high frequency (VHF) radio, and some even have vessel monitoring system (VMS). They fish on the slope of the shelf or on shoals at a depth between 20 and 60 m. For bait, they use skipjack tuna discarded by purse-seiners (as bycatch) or, rarely, locally caught mackerel.

### **Fishers' stories**

Many Seychellois fishermen have powerful stories to tell, and no two stories are alike. Some were brought to the profession by destiny, others by passion. Patrick, a young skipper of a small longliner, says: "In my family, there was no sailor or fisherman; it was not an acceptable profession. Some even tried to discourage me. But for me... it was obvious... I had no doubt that my life would be spent on the sea".

Today he is proud to be in charge of the *MV Pisces*. Keith, another fisherman, says:

"In my family, we had no idea what would be the job of a fisherman. Yet I was secretly very attracted to the profession, especially when I listened to stories of my friends who were sons of fishermen. I made this choice against the advice of my family, and I do not regret it, even if the situation has become more complicated nowadays".

Many regard fishing as the refuge for dropouts. And yet fishing has created several respectable and independent men with a high social status and promising careers.

Rose, from Praslin, nicknamed “Serieux-Vrai”, (“Serious-Honest”), is indeed the perfect example. “At school, I felt out of place, marginalized, was never listened to and was misunderstood by teachers or students,” he recalls. “I was not very talented with what I was asked to learn. However, I knew the names of all the fish as well as how to bring up the lines better than anybody else. I started going to sea at 14 years and every day I learned something new! Gradually, I acquired a real know-how, and now I’m in charge of a small boat. This work allows me to feed my eight children and to be happy and respected”.

Some families have had a bond with the sea for generations. These ‘clans’ are proud of their profession, around which the family is organized. Take the case of Ken, Elvis and Beatty, three brothers who are united in complementing one another in fishing. Elvis is the skipper of the *Albacore*, a beautiful longliner co-owned with Beatty and their wives. Ken is the owner of *La Fleche*, which he commands along with his son, as well as another small boat. Both practice *palangrotte* fishing (a simple technique involving lengths of nylon and a few hooks, payed out by hand or left dangling from a floating piece of cork). Beatty, a former banker, is very actively involved in managing the family business and also owns a small schooner. “Fishing is our business and our livelihood, but it is important that it allows us to live longer and that future generations get to enjoy it. It would be foolish to cut the branch on which we sit. Fishing is sustainable if it is managed on a long-term basis. Our vision is the sustainable development of our fisheries through responsible management of our resources,” he says.

Though fishing boats have improved over time with modern fittings and deck cabins, the living conditions on board are still very hard. Some have not enough space for the crew and rest areas are very restricted.

According to Boboy, who owns the schooner *Labrine* on the island of La Digue, “The fishers, who go for eight to 12 days, must feel good on board...”

It’s their second home! This is important because the job is hard and if conditions remain difficult, no young person will want to take to fishing, even with a good salary!”.

Some boats may well follow the career of their skipper-owners. *Labrine*, for example, has been sent to the shipyard four times since Boboy had it built in 1984. “It might be more profitable to sell this boat and buy another,” he says, “but *Labrine* is my boat, my second home, my livelihood and I could never work on another boat, just like my crew. Besides, *Labrine* was developed in our company and has evolved there. It resembles us and we know very well how to work on it”.

### Red snapper

Perhaps the most emblematic fish in the Seychelles is the red snapper (*Lutjanus spp*), whose exceptionally enticing taste has inspired chefs into creative recipes. Seychellois cook it the Creole way for special occasions and family celebrations. Bottom fishing is the main technique used to catch red snapper, mainly by artisanal day fishers. The schooners that leave for several days are equipped with hand or motorized reels to haul in the catch. The bait used is usually mackerel or other fodder fish; sometimes artificial bait is used. The hooks used are ‘circle hooks’, which avoid the catching of turtles and seabirds, strictly protected in the Seychelles. The size of a hook determines the size of the fish caught, and so only adult red snappers that have already reproduced

*Though fishing boats have improved over time with modern fittings and deck cabins, the living conditions on board are still very hard.*

are captured. The lines are used in a wide range of depths, depending on the location, the current or the season. This technique makes it possible to fish in rocky depths where the fish can hide.

Equipped with lines, hooks and bait, the schooners leave for six to 12 days in search of *bourgeois* (snapper), jobfish, groupers or trevallies. During the trip, the men will have very little sleep and must share the small restricted space. Their courage is fuelled by short periods of sleep and meals prepared with care by one of them. It takes courage and patience to find the place and time for that magic haul. It also takes courage to fight fatigue and the sea, which can be capricious and dangerous. Each year many lives are lost at sea, especially during the southeast monsoon, which generates very strong gales, just like in the Mediterranean.

Fish is the single most important source of food and protein in the Seychelles. It is also part of the culture and heritage of the country. But serious threats to artisanal fishing are emerging: the rise of industrial fishing and farming, and the influx into the market of fish from multiple sources, often caught by destructive and unsustainable methods. In addition, capital costs and current prices do not provide enough returns for a decent living for artisanal fishermen. These factors have encouraged Seychellois fishermen to look for new opportunities and solutions. An active group is involved in a labelling programme in partnership with the Association des Ligneurs de la pointe Bretagne (ALPB), a group of hook-and-line fishermen, who catch mainly sea bass in Brittany.

They have organized themselves with the support of the Fishing Boat Owners Association (FBOA).

The partnership between the two associations has led to an exchange of knowledge and experiences about the future of fisheries, the management of

resources, and globalization. Drawing on the guidelines of the Food and Agriculture Organization of the United Nations (FAO) for labelling of products from marine capture fishing, the partnership focuses on the changing needs of today's consumers, who are sensitive to information about seafood quality and origin, the fishing techniques used to land the catch, and their environmental impacts. Fairness in trade and working conditions is also an increasingly important criterion in consumer choice.

Under the partnership programme, a label will accompany each fish until it reaches the consumer. The label will inform the consumer who caught the fish, where and how. A strong and direct link is thus established between the fisherman and the consumer. The labelling campaign is focused on seven species of fish. It will allow fishermen to participate in the management of resources while improving their incomes. The first order of labelled led to a 25 per cent increase in the price of fish sold, despite market sluggishness. The programme has opened up new opportunities for Seychellois fishermen, allowing them to demonstrate the selectivity of their fishing techniques, to stand out from the industrial fishing sector, and to become real stakeholders in the management of resources.

Hook-and line fishermen are committed to prove that sustainable fishing is possible and that consumers can choose products from a responsible fishery. The Seychelles' hook-and-line fishermen appear set to take charge of their destiny.

Also online at:

<http://www.icsf.net/SU/Sam/EN/56/art09.pdf>

# The Costs of Certification

Sebastian Mathew

**Despite a dramatic growth in certified fisheries, the Marine Stewardship Council has not been able to convincingly prove that it has reversed the overexploitation of global fisheries**

The Marine Stewardship Council (MSC), a non-profit body founded as a joint venture between the environmental organization, World Wide Fund for Nature (WWF), and the food multinational, Unilever, is in its 15th year of existence and has certified 105 fisheries in different parts of the world, even as it has 142 other fisheries currently under various stages of assessment.

Given the stature of this organization and its importance for fisheries worldwide, it is impossible not to wonder whether MSC has helped prevent the overexploitation and depletion of the world's fish stocks. How have MSC's activities benefited different types of fisheries, especially small-scale fisheries in developing countries?

MSC was founded to reverse the crisis of overexploitation and depletion of fish stocks by offering economic incentives for sustainable fishing (see *SAMUDRA Report* No. 15, July 1996). It became an autonomous organization in 1999. Its first set of principles and criteria for sustainable fishing—to be used as a standard in a thirdparty, independent and voluntary certification programme—was developed in 1998. In 2006 MSC decided to make its ecolabelling programme fully consistent with the guidelines for ecolabelling of fish and fishery products developed in 2005 by the Food and Agriculture Organization of the United Nations (FAO). The most recent set of MSC principles and criteria was developed

in 2010. The revised set of criteria recognizes, for the first time, the cultural context, scale and intensity of a fishery to be certified, and how the fishery observes the legal and customary rights and long-term interests of people dependent on fishing for food and livelihood.

The first fishery to be certified to MSC was the Thames blackwater herring fishery of the United Kingdom (UK) in March 2000, followed by the Australian rock lobster and the Alaska salmon fisheries, in the same year. Then came the Burry inlet cockle and mackerel fisheries of the UK, and the hoki fishery of New Zealand, in 2001.

No fisheries were certified in 2002 and 2003, but the total number of MSC-certified fisheries has exponentially grown since 2008, and has crossed the 100-mark in 2010. The 105 fisheries currently certified to MSC originate from 54 species and comprise a catch of nearly six mn tonnes, or 7.5 per cent of the global marine capture fisheries production in 2008.

## Fisheries certified

Nearly 80 per cent of the fisheries were certified to MSC during 2008-2010. The range of fisheries certified as sustainable by MSC include the cod and haddock fisheries in the Arctic; the krill fishery in the Antarctic; the freshwater pike perch fishery in Sweden; the anadromous salmon fishery in North America; the highly migratory albacore tuna fishery in the South Pacific; and

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*...has the MSC helped prevent the overexploitation and depletion of the world's fish stocks?*

the hard clam fishery in the shallow subtidal sand flat areas in Vietnam. MSC's certification has also included enhanced fisheries such as the pink and chum salmon fishery in Russia, and the mussels fishery in the UK.

The client groups who have sought MSC certification include producer organizations, fishermen's associations and co-operatives, fish processors' and exporters' associations, private companies, nongovernmental organizations (NGOs), fisheries councils and governments, among others. More than 60 per cent of the client groups are producer organizations or private companies.

Fisheries from 18 countries are currently certified, including from the US and Canada, as well as from 10 European countries. Most MSC-certified fisheries, as a result, are in waters bordering Europe and North America, and they account for nearly 90 per cent of MSC-certified fisheries in the world. There are about 10 certification bodies accredited to MSC, of which Moody Marine Ltd—a UK-based company with offices in North America, Scandinavia, France, China and Chile—alone accounts for 61 per cent of all certified fisheries to date (as of February 2011). There is only one certification body from a developing country accredited to MSC that has certified a fishery—the Organizacion Internacional Agropecuaria (OIA), Argentina.

The main fishing method employed in MSC-certified fisheries is trawling. Over three million tonnes—or 50 per cent—of certified fishery tonnage, are caught by pelagic, mid-water or bottom trawls alone. The other 50 per cent employ fishing gear such as purse-seines, Danish seines, gillnets, trammel nets, handlines, longlines, weirs and traps, and hand or metal rakes. The fishing vessels used in certified fisheries range from beach-

launched boats in the UK to Norwegian distant-water trawlers in the Antarctic.

The fisheries for herring (*Clupea harengus*) account for the largest share of a single species (1.4 mn tonnes, or over 23 per cent of total tonnage) certified to MSC, followed by over one mn tonnes of pollock. Thus, herring and pollock combined contribute to nearly 40 per cent of the total catch tonnage certified to MSC. These are mainly caught by pelagic trawlers.

The smallest share in catch tonnage is UK sea bass—just seven tonnes—which is caught in intertidal waters with fixed gillnets. Thus, the principal gear in fisheries certified to MSC is trawl, and the principal species benefiting from certification to MSC are herring and pollock.

The MSC-certified fisheries products go mostly for human consumption, although smaller quantities are also converted into animal feed. Thus, some of the certified UK herring and Norwegian Antarctic krill end up as feed for aquaculture. The products from certified krill fisheries also include pharmaceuticals and dietary supplements. While some of the fisheries products from certified UK, Irish and Norwegian fisheries are exported to Africa, Asia (including China), Latin America and the Caribbean islands, most of the fish from certified fisheries—especially whitefish—are traded within, or between, Europe and North America. It is unclear, though, if fish from certified fisheries that are exported to developing countries are being sold as MSC-certified to the final consumer.

### **Economic benefits**

As regards the economic benefits from the MSC ecolabel, some fishermen claim a premium price for fisheries certified to MSC in the domestic market. British fishers claim a 25 per cent premium on their sea bass in the London market. Australian fishers claim a 30 to 50 per cent premium

on certified small-scale mullet, cockle, golden perch and yelloweyed mullet in the domestic market.

The American Albacore Fisheries Association (AAFA) reportedly claims a premium of 35 per cent on tuna exports to the EU market.

While some MSC-certified fisheries are able to maintain their market share and gain access to new ones, others—for example, Alaska salmon—have been able to move up from low-value to high-value markets. Further, fisheries such as the Australian rock lobster fishery have, purportedly, used the MSC label as a bargaining tool in gaining tariff reduction in the EU seafood import market. There are also reported benefits accruing to the First Nations communities in Canada from certified shrimp and salmon fisheries, according to assessment reports. As far as the financial costs incurred in undertaking pre-assessment, full assessment, chain-of-custody assessment, and annual audits are concerned, little information is disclosed to the public. The fees charged by certifiers for their services are kept confidential between the client and the certifier. Assessment fees, in some cases, are paid from government grants and charities.

Although developing countries contribute to 70 per cent of global marine capture fisheries production, their share in MSC-certified fisheries is quite low: 188,000 tonnes or just three per cent of the total certified tonnage. The developing-country fisheries that are certified comprise hake caught by deep-sea trawlers in South Africa, Patagonian scallop caught by factory trawlers in Argentina and hard clam gathered by small-scale fishers in Vietnam.

To what extent have small-scale fisheries benefited from the MSC certification programme? From 1996, MSC has been trying to certify smallscale fisheries in developing countries (see *SAMUDRA Report* No. 15, July 1996).

The MSC unit of certification does not make a distinction between small- and large-scale or industrial fisheries. It can, however, be estimated that about 345,000 tonnes, or slightly less than 6 per cent of total certified tonnage, comprise fish originating from small-scale fisheries, which, by inference, refer to fish caught from rivers, bays, and nearshore waters by vessels under 10 m in length, employing gear such as nets, handlines, baited creels, pots on line, trolls, fishwheels, traps and hand or metal rakes.

The small-scale fisheries certified to MSC are highly skewed in favour of sockeye, chum, chinook, coho and pink salmon in Alaska (287,000 tonnes), and pink and chum salmon from rivers in Russia (47,000 tonnes).

Thus, salmon account for 97 per cent of all MSC-certified fisheries that can be categorized as small-scale. Additionally, there are modest quantities of mackerel, cod and haddock caught by vessels below 10-m length from coastal waters in Norway that employ nets and lines as part of a fishing fleet comprising both large and small vessels. Finally, there is the hard clam fishery of Vietnam—the only MSC-certified small-scale fishery in a developing country—which accounts for nearly 9,000 tonnes of catch.

### Greatest challenge

The greatest challenge, however, has been certifying small-scale fisheries in the tropical belt. The first small-scale tropical fishery from a developing country to be certified to MSC was the rock lobster fishery in Baja California, Mexico, in 2005.

The certification expired in 2009, and is now under reassessment. Currently, the hard clam fishery of Vietnam is the only case of a tropical fishery certified to MSC. An initiative to certify a fleet of small, beach-based vessels engaged in the oil

*Fisheries from 18 countries are currently certified, including from the US and Canada...*

*It remains to be seen, though, if the recent spurt of fisheries certified to MSC can be sustained in future.*

sardine fishery of the south Indian State of Kerala, for example, has been going on since 2008 without showing any sign of even reaching the stage of full assessment. Attempts to certify the pole-and-line and handline fisheries of the Maldives have been going on, unsuccessfully, since 2009. They also attracted criticism about the certification process and associated financial costs from the Maldivian delegation during the FAO Committee on Fisheries (COFI) meeting in Rome in February 2011. The risk-based framework (RBF), developed by MSC in 2008 with the idea of certifying 'data-deficient' fisheries, especially small-scale fisheries in developing countries, has not led to the certification of any such fishery so far.

MSC is also facing flak from environmental organizations such as Greenpeace, the Pew Environment Group and Oceana in regard to assessment, certification and recertification of some of the fisheries.

The certification of the Bering Sea/Aleutian Islands pollock fishery in the US, the sockeye salmon fishery in British Columbia, Canada, krill and toothfish fisheries in the Southern Ocean, the hoki fisheries in the Pacific, and the Barents Sea cod fishery in the northeast Atlantic, for example, have all come under criticism from environmental organizations. The sockeye fishery, interestingly, was certified to MSC in 2010, two years after it was placed by the International Union for the Conservation of Nature (IUCN) on its Red List of threatened species.

Unilever, one of the founders of MSC, seems to have later parted ways with MSC, after making a public commitment in 1996 to buy all its fish from sustainable sources by 2005.

Even in 2010, only 56 per cent of the fish sold by Unilever—that too only in

Europe—originated from MSC certified sources.

### **Emotional bridge**

On 20 March, 2002, speaking at a conference organized by the European Association of Communications Agencies and the United Nations Environment Programme (UNEP), Chris Pomfret, Business Director, Frozen Foods, Birds Eyewall's of Unilever, expressed unhappiness that "a significant emotional bridge between people's concerns over sustainability and their buying habits has yet to be built." He went on to say that the MSC logo was "non-motivating and obscure for most people," and challenged the claim that protection of fish stocks is linked to purchasing habits. A recent annual report of Unilever (Unilever Annual Review 2008, <http://annualreport08.unilever.com>) makes no mention of procuring fish from sustainable sources, but only of sourcing tea and palm oil from such sources. The US supermarket giant Wal-Mart has now moved in to fill the vacuum left by Unilever. In 2006, Wal-Mart took a pledge to source all its wild-caught fresh and frozen fish for the US market only from MSC certified fisheries by 2011.

On completing 14 years of existence, has MSC, to some degree, reversed the crisis of overexploitation and depletion of fish stocks through offering economic incentives, as was its intention when it was set up in 1996? Except for some anecdotal information, we have little knowledge of the economic incentives that are actually offered by MSC certification to the producer. Nor do we know much about the costs of certification incurred by each certified fishery to infer if the economic benefits to the producer outweigh the costs.

According to FAO's "State of World Fisheries and Aquaculture 2010", the share of fully exploited, overexploited,

depleted or recovering fish stocks has increased to 85 per cent in 2008, compared to 70 per cent in 1996, when MSC was founded. In spite of a dramatic growth in MSC-certified fisheries in recent years, whether MSC has, in fact, been reversing the crisis of overexploitation and depletion of global fisheries is, therefore, a moot point. The onus on certified fisheries to remain sustainable is high, which is perhaps the greatest impact of MSC.

It remains to be seen, though, if the recent spurt of fisheries certified to MSC can be sustained in future. Most certifiable fisheries within the framework of the MSC standard are likely to be exhausted soon, and the real challenge for MSC will be when poorly managed fisheries are able to get their act together and rise up to the MSC standard. There are no such signs as yet of that happening. The certification standard, however, raises serious doubts about the relevance of the MSC methodology and process, especially for tropical, multi-species fisheries. It is ironic that while small-scale fisheries, particularly those that employ selective, nontrawl fishing gear and practices in multi-species, tropical fisheries, hardly benefit from MSC certification, several industrial trawl fisheries in the temperate and polar waters have been certified to MSC as sustainable, thus challenging the common perception of trawling as a high-impact, destructive fishing technique, and small-scale fishing as low-impact and sustainable.

The MSC experience creates the impression that fish stocks are well managed in industrial, temperate water fisheries, and ill managed in tropical marine fisheries. It remains to be seen how far the 2010 revised MSC certification standard would address this issue. It also remains to be seen how the social elements will be assessed under the new standard, especially in regard to the cultural context, and how a fishery acknowledges the legal and customary rights

of fishing communities and the longterm interests of people dependent on fishing for food and livelihood.

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<http://www.icsf.net/SU/Sam/EN/58/art09.pdf>

# The Purrfect Answer?

Brian O’Riordan

**United Kingdom conservationists harness cat power for sustainable seafood sourcing drive**

When cats starts pussyfooting around in government seafood procurement policy, you can be sure something fishy is afoot. Earlier this year, Larry, the No. 10 Downing Street moggy belonging to the family of UK Prime Minister David Cameron, became a seafood celebrity. Apparently, Larry the cat’s diet of seafood met more stringent sustainability standards than that served up to the Cabinet and staff at No 10.

“It is shameful that the government’s standards for the public sector are weaker than those standards in Larry’s pet food”, carped environmental campaigners. Thanks to Larry and their campaign, the UK government has now introduced new buying standards which stipulate that 100 per cent of fish procured by the central government and its agencies will avoid endangered species and source seafood caught in a responsible way from well-managed stocks. Fish and fish products will meet standards such as Marine Stewardship Council (MSC) certification or be on the Marine Conservation Society’s “fish to eat” list.

The UK government’s road to Damascus is but the latest in a series of conversions that have taken place recently, where large retailers, restaurant chains and procurement agencies in the UK have signed up to the MSC. Why? Because sustainability is big business, and there is money to be made and markets to be secured.

According to the Co-operative Bank’s Ethical Consumerism 2010 Report, revenues from sales of fish labelled as

sustainable rose from 70 million pounds sterling in 2007 to 128 million in 2008 and to 178 million in 2009.

“The figures are startling”, says Rupert Howes, Chief Executive of MSC. “In Britain, consumers have increased their spend on sustainable seafood by 154 per cent. These findings suggest that consumers are actively looking for certified and labelled fish, and that they are remaining true to their values even in times of recession.”

But is this really so? Is this a consumer-driven movement for sustainable seafood, or one pushed by corporations and environmentalists? Sales of ‘ethically labelled’ seafood have certainly increased, but so have supplies, both for people and their pets. Nearly 80 per cent of fisheries certified by MSC were done during the period 2008-2010, when a large number of other labels also came onto the market, including those of the retailers, many of whose claims have been challenged. One UK nongovernmental organization (NGO), Client Earth, accused major food retailers of being “guilty of misleading customers by printing unfounded sustainability claims on certain fish products”.

## Debatable consumption

It is, therefore, debatable how much increased consumption of seafood labelled as sustainable has come from active consumer search, and how much is just down to supermarket shelves overflowing with the stuff. No one associated with MSC seems to be able or willing to answer this simple question:

This article by Brian O’Riordan (briano@scarlet.be) of ICSF’s Belgium Office, was carried in SAMUDRA Report No. 58.

Are consumers really selecting fish labelled as ethical, or are they just being supplied with it? Larry has done a great public relations job. The other side of the question is why should fishermen be interested to subscribe to MSC certification given the costs? Are there any economic or other benefits in doing so? Recently, the UK's southwest mackerel handline association decided that the costs outweigh the benefits; that paying 12,000 pounds sterling plus value-added tax (VAT) was simply not worth it, especially considering the impact of the mackerel dispute further north over access to the northeast Atlantic stocks.

Jeremy Percy, the Chief Executive of the UK's (England and Wales) New Under Ten Fishermen's Association (NUTFA), recognizes "the positive contribution (of the MSC) and the clearer focus on the debate as to what constitutes a sustainable fishery, and the need for an ecosystem-based approach to fisheries management, provided by the pursuit of the MSC Principles". However, an "immense cost is involved, especially for smaller groups, in obtaining an accreditation and the apparent lack of tangible commercial benefits in so doing".

"Fishery science is a detailed and specialist business", retorts MSC deputy Chief Executive, Chris Nannes, "and the costs reflect that reality". Indeed, a number of European Member States are subsidizing the MSC sustainability assessments for their fishing sectors, which can ill afford the costs. Nannes also points out that by spreading the costs of certification across multiple boats, the costs per vessel can be decreased rapidly. Such cost-sharing arrangements are in place in a number of fisheries, says Nannes.

However, MSC claims about price premiums for fishers are harder to swallow. According to a source associated with an MSC certifying body, depending on the fishery, a full assessment costs

somewhere around 25-30,000 Euros, a pre-assessment 1,500-3,500 Euros, and annual surveillance audits the same amount.

The source doubts that the majority of the fishermen see much direct economic benefit from MSC certification in terms of a better price.

In their experience of fisheries undergoing assessment, either they are under pressure from buyers or they have got someone else to pay for certification.

Paul Joy, Chairman of the Hastings Fishermen Protection Society, says that for the Hastings Dover sole gill net fishery, the MSC brings prestige rather than tangible economic benefits. "Generally, people want fish that is certified as sustainable, but they don't want to pay more for it", says Paul. "If our local authority was not prepared to bankroll us, we could not afford MSC certification. We don't make enough from the fishery to pay for the certification ourselves".

The enhanced status and the reputation that the MSC certification brings benefits not just for the fishery but for the entire Hastings community.

This is why the Hastings Borough Council is happy to underwrite the costs. The Hastings Borough Council has agreed to finance the re-certification process for the Dover sole fishery, which is now due. But a worry is that their low quotas force them to discard large quantities of valuable by-catch, and fishermen fear they may not get MSC certification this time round.

The whole certification process in Hastings cost around 70,000 pounds sterling first time round (pre-assessment, full assessment, chain-of-custody assessment and so on), with annual audit costs in tens of thousands of pounds. According to Paul Joy, "The MSC is a bit like a prestigious club, expensive to join, but with many spinoffs and intangible benefits". Paul admits that some initial

*...the UK government has now introduced new buying standards which stipulate that 100 per cent of fish procured by the central government and its agencies will avoid endangered species...*

## Good Conscience, Bad Taste?

Agri-Food news Europe comments that, at the European Seafood Exhibition (ESE), which took place end of April and gathered representatives from 100 countries: 'The prevailing subject which outshone the key topics of previous years such as traceability, health value of seafood, or wellness, was sustainability. Sustainability labels are developing into a necessary requirement for trade with seafood.'

The publication describes the situation in Germany, the world's most important market for eco-labelled seafood: by the end of 2011, Germany's largest food retailer plans to switch its complete fish range to sustainable raw materials. During the past two years, the number of products containing sustainable raw materials doubled every year, currently accounting for 900 products on the German market.

On the other hand, the offer of low-priced eco-labeled products is soaring: 'Customer can buy matjes fillets and herring salad with a good conscience for less than a euro—prices far below the level of branded products. Consumers simply expect to buy MSC-labeled

products at competitive prices', explains an experienced purchasing manager. Many full-range retailers are upset that discount traders like Aldi and Lidl have managed to distinguish themselves with sustainable fish products—not the least due to positive reactions from groups like Greenpeace. The industry is concerned about this development, and some clearly disapprove of the trend towards low entry-level prices: 'the logo is sold at a loss' says an expert. Besides, there is also the fear that the MSC logo might forfeit its premium aura in the full-range segment. But there is more to lose: The price of MSC products is between 5 to 10 percent above that of conventional products, and the license fee (0.5% of the net turnover of labeled products) plus a small basic fee reduce the margin even further. The industry has come to the conclusion that the offer of MSC-labeled products will differentiate further. 'MSC-certified products will most likely go the same way salmon has gone before', says a sales manager. He expects a development towards 'a large volume product with different prices and qualities. Or to put it in other words: A good conscience does not necessarily mean good taste'.

positive economic benefits were generated in Holland after they obtained MSC certification. But these soon faded, because Dutch sole gill netters also obtained MSC certification, so prices came down. Like other aspects of fishing, the first entrants may profit initially, but as others enter, initial advantages are eroded.

Any price advantages are likely to get further eroded if the MSC standard is adopted as the norm by supermarkets across Europe. As the recession bites, who will be able to afford certification? Certainly not small-scale fishermen. And when market access

depends on MSC certification, what will happen to their livelihoods? Ecolabels seem to be writing their own epitaph by creating unreasonable expectations and unsustainable demands on finite resources.

Also online at:



<http://www.icsf.net/SU/Sam/EN/59/art09.pdf>



# Labels or Fables? The Myth of Sustainability

A collection of articles from *SAMUDRA Report*



ICSF is an international NGO working on issues that concern fishworkers the world over. It is in status with the Economic and Social Council of the UN and is on ILO's Special List of Non-Governmental International Organizations. It also has Liaison Status with FAO. As a global network of community organizers, teachers, technicians, researchers and scientists, ICSF's activities encompass monitoring and research, exchange and training, campaigns and action, as well as communications.