The IUU Supply Chain Risk Tool: Enabling Seafood Companies and Retailers to Identify Risk in their Operations

Stanford | Center for Ocean Solutions

FRIENDS *of* **OCEAN ACTION**

RFMO IUU lists

C4ADS Triton Portal

COS Risk Mapping

Poseidon IUU Fishing Index

Pew

Minderoo Global Fishing Index

Global Fishing Watch

GTA

Trygg Mat Tracking

FishWise

"Our objective is to aggregate all of these data sources with as little subjective interpretation as possible. Our end goal is to make data more accessible and structured to gain insights."

Value proposition

- Support sustainability **commitments** and **principles**

- Support **regulatory** compliance (e.g., E.U., U.S. & Japan)

- Mitigate **reputational** risk

- **Streamline** and bring **consistency** to current risk assessments

- Provide **transparency** to risk assessment methodologies

Reference to GTA's 5-years strategy

- GTA Partners show a **preference for ports** in States that are party to the PSMA, or have implemented effective Port state Measures (PSMs) **aligned with PSMA requirements**
- GTA Partners to **conduct greater due diligence** for ports where product is being landed to establish the level of PSM implementation and **associated risk of IUU catch entering the market**
- GTA Partners to **work with suppliers** to improve the implementation of PSMs by:
  - Mapping supply chains
  - Checking whether ports are in States that have signed the PSMA and, if not, advocating for those States to join
  - Checking whether States have officially designated ports for landing and transshipment by foreign-flagged vessels
  - Inquiring about the implementation of port State measures during port visits
  - Revising seafood sourcing requirements to include PSM

A **tiered** approach

- The more information a company has about its supply chain, the more detailed and robust the risk assessment.
- Each tier is evaluated by multiple data sources and produces multiple IUU risk indicators

Data tiers & Questions

Tier	Question
Species (2)	What species do you target?
Region (2)	What region/RFMO does it come from?
	Was it fished in the High Seas?
Port State (10)	In what country was it landed?
Port (6)	At what port was it landed?
Fishing Vessel (13)	What vessel caught it?
Flag State of fishing vessel (4)	What is the Flag State of the fishing vessel?
Transshipment (7)	What is the name/IMO number of the transshipment (carrier) vessel?
Flag State of transshipment vessel (4)	What is the Flag State of the transshipment (carrier) vessel?
Tracking data (7)	Is there AIS/VMS data available?
Fishing gear (2)	What fishing gear was used?
Certifications (1)	Is it a certified fishery? What certification?
	Does the certification include an IUU component?
Processing (3)	What is the preparation of the product? How processed is it?
	Where was the product processed?

Demo

Risk indicators' categories

	IUU Directly Related	IUU Indirectly Related
Curated		
Analyzed		

Keeping data up to date and relevant

- Automatic updates

  - Some formats allow for easier data curation

  - Datasets have different update intervals

- Prioritize databases that enable action

- Slow- and fast-moving variables

  - Slow-moving: corruption indices

  - Fast-moving: AIS activity

Principles

- Transparency: document all data sources and analyses to color code each indicator

- Aggregation: we will originally not aggregate our risk metrics, giving users the detail to explore each indicator individually. We might assign priority scores to highlight immediate action needs.

- Privacy: data uploaded by user will not be shared with any other users or stored by the SCRT

Next steps

- Expand list of risk indicators and data sources (this will be a work continuously in progress)

- Work with fishing companies and retail partners to

  - Develop and test prototype throughout 2021

  - Develop a vision for implementation into existing supply chain processes

- Work with data providers to

  - Provide up-to-date data and robust science to backup risk assessment

  - Ensure long-term capabilities of the tool

- Publish data sources and methodology to assess IUU risk in early 2022

The challenge:

"Can we build a data system that curates, standardizes, and synthesizes all available and relevant sources of IUU risk in fishing activities into a single platform? Then **how do we enable integration into companies' operations?"**

Questions for GTA partners

1) Is there an opportunity for your company to help us in the development of the tool through testing prototypes and providing feedback?
2) Can we work together to think about the integration of the SCRT into your current operations?

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Thanks!

Questions?

Extra slides

Regulations aimed at preventing IUU fishing

U.S. Seafood Import Monitoring Program (SIMP)

- Importer
    - Point of entry into U.S.
    - Responsible in case of audit
- Electronic format
    - 13 different fish species
    - Short list of information required

E.U. Catch Certification Scheme (CCS)

- Flag state
    - Issues catch certificate
    - Submitted at export
- Paper format
    - All species (with a few exceptions)
    - Longer list of information required

What can we say about Human and Labor Rights?

- There are existing tools
  - Seafood Slavery Risk Tool and others
  - Third-party consultants (e.g. Sedex, Verité)
  - Checklists and self-assessment questionnaires by NGOs and companies

- But there are challenges
  - Difficult to conduct high-level risk assessments while also being sensitive to workers
  - Lack of transparency requires in-depth, time-intensive data collection for each supply chain
  - Growing field of research with no clear consensus on appropriate indicators

We are benching inclusion of human and labor rights indicators for
now while we continue collecting data.