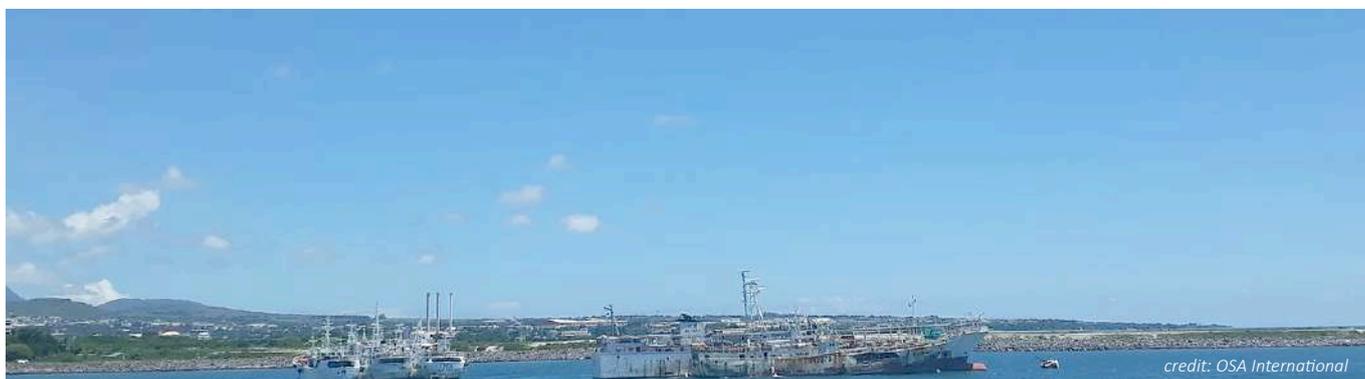


SOCIAL ACCOUNTABILITY AT SEA

By Katherine Short

In recent times with the success of the sustainable seafood movement, attention has necessarily turned to addressing social accountability at sea. The clear message must be that labour abuses are not acceptable in the seafood supply chain, and one way to demonstrate this is to benchmark against internationally accepted guidelines such as those developed by the not-for-profit organisation, On-board Social Accountability (OSA) International Ltd. OSA's constantly updated benchmark tool encompasses criteria from all global schemes, guidances and criteria. It has been successfully trialed in Austral Fisheries and Frabelle Fishing and is now being deployed in RD Fishing, both the latter being members of the Papua New Guinea Fishing Industry Association.



Social accountability issues in the supply-chains of commercial seafood production are becoming increasingly important, with growing awareness about workers and their working conditions, whether in processing operations, aquaculture or at-sea harvest operations (labour on board).

In the last decade, there have been numerous investigations and reports on modern slavery at sea, labour abuses, human trafficking and forced labour that gravely affect the lives of workers and their families. More recently, there has been concern amongst governments and the supply chain that these injustices may involve illegal, unregulated and unreported (IUU) activities. Some operational practices and laws in major seafood importing markets (EU, UK, US) and exporting countries (e.g. NZ and Australia) are being tightened; these include the Trade Facilitation and Trade Enforcement Act (US) and the Modern-Day Slavery Act (UK, Australia, etc.).

As reports have continued to emerge about such abuses in the supply chains of major brands, companies are under mounting pressure from consumers, investors, media, and governments to demonstrate and maintain responsible and transparent supply chains. Seafood suppliers, including retailers, are responsible for ensuring their supply chains are free of, and condemn such practices, by proving that they avoid and prohibit labour abuses in their own supply chains.

These may include policies, procedures, and management practices to minimise the risk and occurrence of human rights abuses. At the producer level, fisheries and farms must therefore prove that they do not operate this way and thus they need the support, capability building, evidence and impartial, independent assessment which are provided for, under programmes run by organisations such as On-board Social Accountability International Ltd (OSA). Others in the industry are also responding with notable recent commitments to address these issues, such as SeaBOS and the Global Tuna Alliance.

The scale of the problem

There are not yet any definitive studies summarising the scale of these issues. According to the International Labour Organization (ILO) and the United Nations Food and Agricultural Organization (FAO) we do know that the fishing and aquaculture sectors employ some 59.6 million people worldwide, including an estimated 43 million people who work in capture fisheries. The vast majority live in developing countries (Asia 83%, Africa 9% and South America 2.5%), with the rest in fish exporting countries in North America, Europe and the former Soviet Union. ILO estimates that there are approximately 24.9 million victims of forced labour associated with harvesting activities (farming, fisheries, and aquaculture) globally, generating illegal profits of US\$150 billion per year.

Many, but not all, are associated with Illegal, Unregulated and Unreported (IUU) fishing operations.

It is estimated, from the range of available reports, that close to 40 000 fatalities occur worldwide annually in fisheries. Taking a regional view, the prevalence of modern slavery was highest in Africa with 7.6 victims for every 1 000 people in the region. This was followed by Asia and the Pacific (6.1 victims) and Europe and Central Asia (3.9 victims). There are no published estimates for the Asia Pacific region, where modern slavery is of grave concern.

Statistics

- In 2016, 59.6 m people involved in fishing or aquaculture (FAO)
- 40.3 m working in capture fisheries (FAO)
- At least 40 000 fatalities occur annually in fisheries (ILO)
- ~4.6 m fishing vessels operating globally
- Fish is one of the most traded commodities (UNCTAD, FAO)
- 35% of all fish products enter the international trade (UNCTAD, FAO)
- 660 - 880 m people depend on seafood sector (FAO, 2016)
- Fisheries is one of the riskiest jobs worldwide, at par with mining and logging (UNCTAD)
- Fisheries fatality rates are 3.5x (Canada) – 15x (Republic of Korea) above national averages. Likely to be much higher in developing countries where data are less available (Teh et al, 2019)
- Average distance to fishing grounds has increased to 1 250km, or 260% since 1950 (FAO)
- 24.9 m forced labour victims globally generating US\$150 bn profits annually (ILO)
- IUU fishing accounts for up to 30% of catches in some regions (EJF)
- Global cost of IUU fishing estimated at US\$15.5 - 36.4 bn annually, for 11 to 26 m tonnes of seafood (Global Financial Integrity (2017) and the Developing World)
- Teenagers and adults are abused, sometimes sexually, forced to work in appalling conditions, may be under debt bondage, are expected to eat little more than bait and rice, and are often at sea for months, if not years on end (various sources)

Countries with the highest risk of modern slavery are highly dependent on distant water fishing, often beyond the reach of domestic enforcement. This latter characteristic is worrying given that with coastal fisheries depleted, the average distance to fishing grounds has increased to 1 250 km, or 260% since 1950.

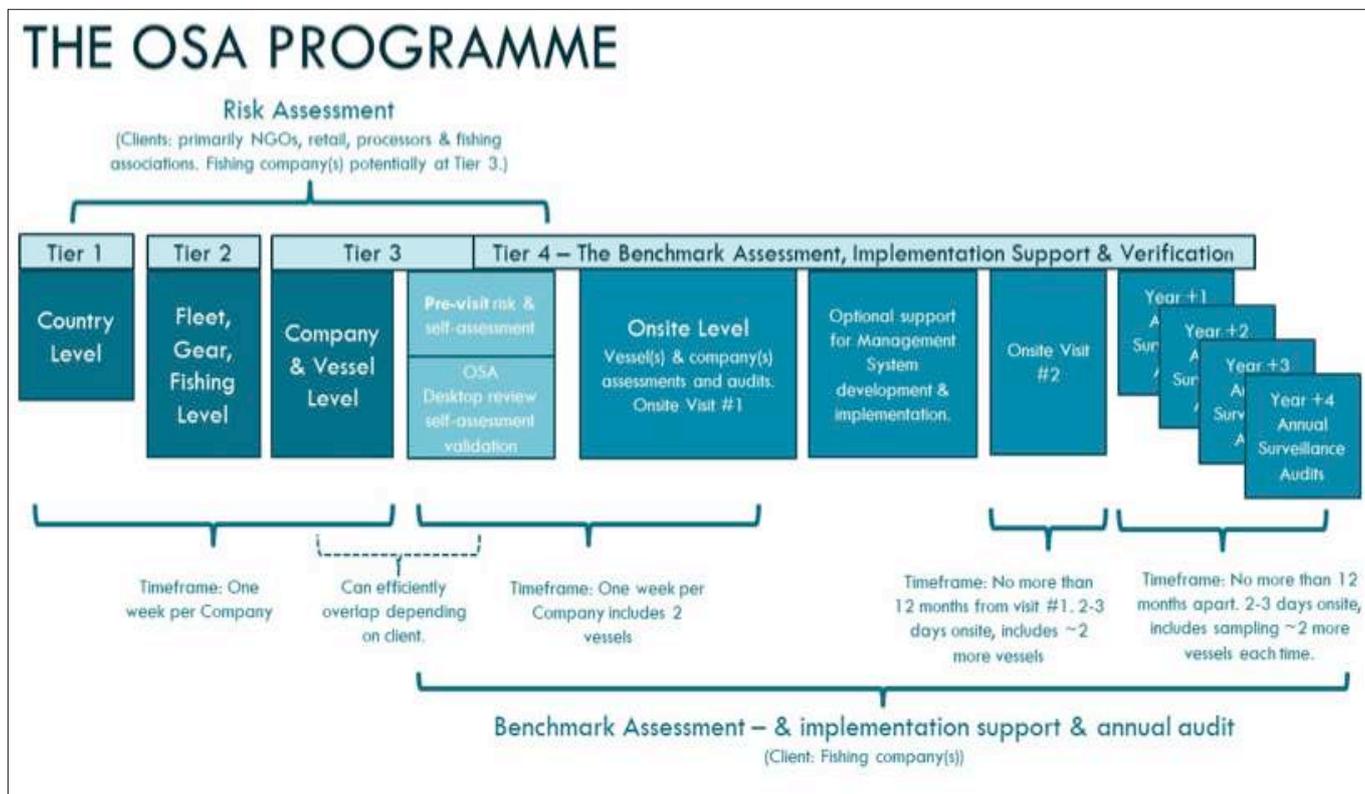


Purse seine tuna fishing - OSA is working with members of the Papua New Guinea Fishing Industry Association to develop and implement better social accountability.

Addressing on-board social accountability

There are now more than 40 initiatives globally addressing modern slavery, including in the seafood sector. On-board Social Accountability (OSA) International Ltd was established in April 2020 as a not-for-profit limited liability company to support the seafood sector to improve working conditions and the well-being and livelihoods of global seafood workers.

OSA is committed to seafood sector capability building and therefore not designed to expose bad behaviour; but it uses thorough, confidential, careful client work to enable change from within. OSA is aware of the long-term challenges facing some fisheries and the careful, multi-cultural and full supply chain work that must be done to bring about change. OSA is predicated on recognising that people who are treated better are far more likely to treat the product, the environment, each other, and wildlife better. Social accountability work is about managing people which is never easy!



The OSA Technical Framework (shown above) has two integrated components beginning with Risk Assessment, and then diving deeper with the Benchmark Assessment. The Risk Assessment applies major international risk indices to understand the country, fishery and company context. It can be used by retail, fishery association, NGO and government clients to understand the risk profile of a given product or species.

The Benchmark Tool is an in-depth assessment of company and vessel operations. The Technical Framework factors all Conventions, standards, criteria and guidances, including from NGOs but which are mostly based on ILO C188. No single standard for on-board social accountability exists yet.

Both the Risk and Benchmark Assessments are living frameworks; they are updated with any new guidance and adapted to seafood operations across vessels, aquaculture and processing. OSA has distilled 18 indicators and over 100 criteria for the Benchmark Tool. The OSA Model provides performance data back to the client to improve workforce productivity, efficiency, effectiveness, and well-being. It also improves the transparency of companies, fleets, retailers, governments, and civil society, especially when OSA reports are made public by the company as in the case of Austral Fisheries which published their second review report.

The challenges of social accountability

In 2012 when the OSA tool was created, only ILO C188 and six guidance or regulation frameworks for on-board social accountability existed. Since 2016, a “boom” has resulted in over 30 codes of conducts, draft standards, regulations, and guidances that are fundamentally based on ILO C188 and anti-IUU fishing and UN declarations. It can be a confusing unproductive space for retailers, NGOs and fishing companies to navigate. There was a similar proliferation issue in the 90s for HACCP control systems and latterly for sustainable seafood consumer recommendations and ecolabels. OSA monitors the many frameworks for social accountability and integrates the best elements into its assessment frameworks and can thus prepare clients to be audited against the framework they need for their target markets.

Other common challenges include:

- It can be difficult to secure agreement about audit timing as vessels must be in port.
- Methods to assess fishing trip time, length, working hours are still emerging.

- Multiple recruitment agencies between crew and the fishing company and control is difficult.
- Vessel Captains, crew and company personnel must all be available to participate in assessments.
- Overcoming language barriers must be planned for in assessment and audit processes and independent translators are required.
- There is a direct relationship between the size of the fishing company and crew benefits i.e. the bigger the company, the better the conditions often are.

Poor or lacking:

- Internal communications regarding health and safety, human rights and crew access to communication channels i.e. Wifi.
- Management systems and supporting documentation.
- Capability for verification and internal control.
- Common area hygiene.
- Baselines for living wages and bonuses.

Building a fishing fleet social responsibility management system

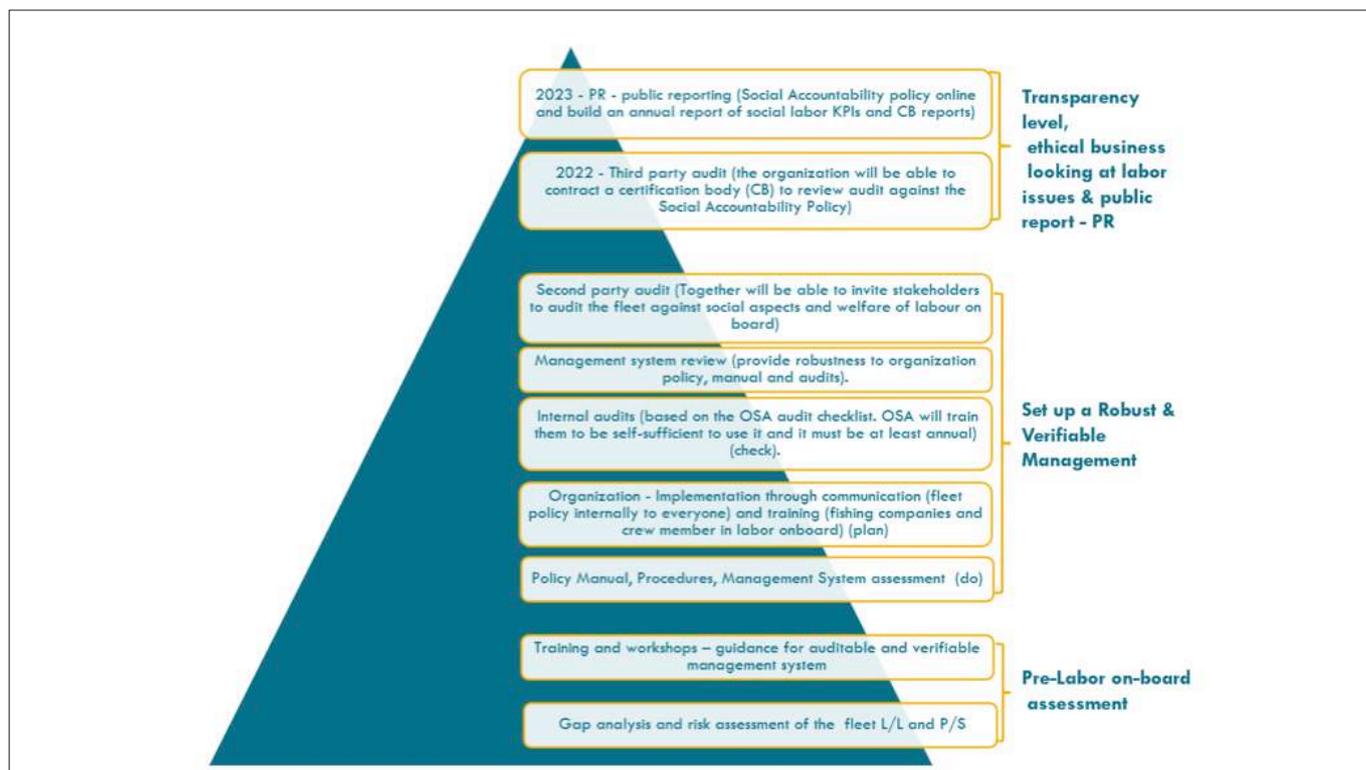
Remarkably, across the guidance frameworks globally, including in ILO C188 there is little emphasis on management systems. However, SA8000 and the Marine Stewardship Council’s v2.1 Standard are underpinned by them. In both the assessment framework and capability building approaches that OSA uses, there is a strong focus on management systems so seafood companies can integrate social accountability into daily business. The Progress Pyramid below describes the journey a seafood company can take to do this.

Case studies

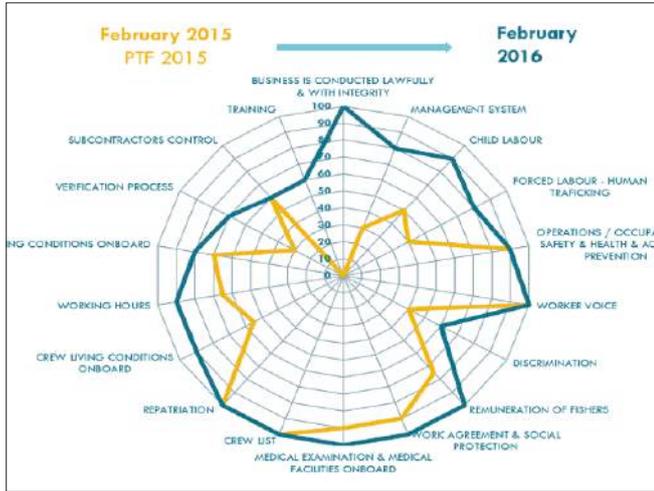
The following case studies conducted by OSA personnel resulted in tangible implementation projects in both tuna and toothfish fleets that improved the crew working conditions and welfare. These went beyond setting regulations or guidance; and included second- and third-party auditing on-board.

Case Study 1: tuna

In 2015, OSA conducted social accountability assessment of five tuna seiners. This involved 21 crew across five nationalities and countries, four brokers/crew agents and operations in Indian Ocean waters. The diagram on the next page shows how performance improved between the two assessments.



Social accountability tool monitoring & verification

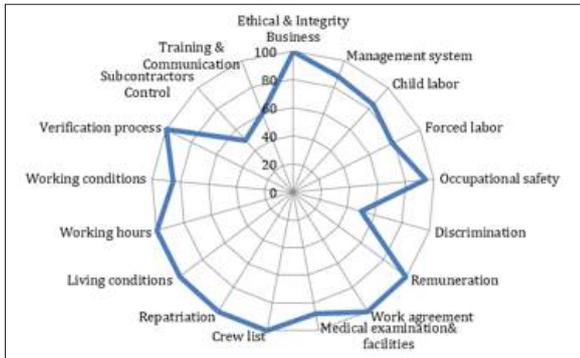


Case Study 2: toothfish

In 2016-2019, Austral Fisheries contracted OSA to review their social accountability. This involved three multi-purpose vessels (longline and trawl), 28 crew per fishing vessel and two observers, six nationalities and countries, one agent and operations in Antarctic and Australian waters.

The diagrams below show how performance improved between the two assessments.

Social Indicators (2016)



Social Indicators (2018)



Austral Fisheries improvements included: developing 70 policies and procedures to underpin their newly formalised social accountability management system, clearly articulating the Austral Fisheries Living Wage Policy and adjusting wages accordingly, and establishing wifi on-board as the beginnings of improving crew communication ability and which aligns with the emerging approaches for giving “Worker Voice”. OSA also provided training and capability building to key Austral company personnel. Through making their second report public, Austral Fisheries increased company transparency. OSA found that the fleet had a high degree of compliance with international regulations and market requirements and that establishing a formal management system allowed them to go to the next level of transparency and public reporting.

These two case studies illustrate how social accountability improvements can be assessed and complement law enforcement. Practices improved in port and in relation to implementing coastal and flag state requirements. However, OSA found that: crew communication channels were limited, there was no reference to living wage(s), supplier control was missing, and agents and brokers were beyond company control. Key remedies included developing management systems which OSA recommends as a “must-do” starting point. Furthermore, developing electronic tools may assist crew on-board.

Living and working conditions on-board

A range of crew living and working conditions on-board are presented below including the comfortable, modern conditions on-board tuna purse seiners in the Philippines and Papua New Guinea (Photos A), Spain (Photos B) and the sadly infamous conditions on a tuna longliner (Photos C).

Photos A: Philippine and PNG tuna vessel crew area conditions



Credit: Marcelo Hidalgo

Photos B: Spanish fleet tuna purse seiner crew conditions**Photos C: Tuna longliner crew conditions**

Quantitative modelling

The spider diagrams shown previously are the product of how the OSA assessment tool can calculate overall scores for social accountability management system improvement. OSA also has quantitative modelling capability, enabling clients to understand their social accountability performance across a range of approaches, as described below.

Return on Investment (ROI)

For many in the seafood sector adopting a certification scheme, showing consumers and markets worldwide that ones' operations are both sustainable and that workers are treated fairly, may be seen as a necessary evil. The OSA assessment tool, through using a bottom up approach, can

support companies to analyse their operational data and to design tools, systems and analysis to identify tangible return on their investment (ROI) by improving their social accountability management. A range of tangible bottom-line ROI opportunities can be the outcomes of assessment and certification:

Social ROI

Social impacts have been considered "soft measures" and are often harder to measure. OSA has developed metrics to quantify crew conditions that can be augmented with assessing attitudes and behaviours (social indicators). These can be reassessed after implementing a social responsibility management system. Furthermore, they can be analysed relative to vessel performance to show how treating people better often results in improved vessel performance and catch. Such social indicator measures include wellbeing, work output and performance rates, as well as crew recruitment and retention rates, and can be compared versus vessel inputs (fuel, bait, gear etc) and outputs (catch, reduced bycatch). These can also be compared across companies, fleets, countries, and regions.

Direct economic ROI

Direct economic impacts are those that can be easily measured using a baseline starting point and analysing the trajectory from that baseline to current usage levels such as what the costs and benefits are of the changes that occur as a direct result of the associated initiative or action. These can relate to fuel usage, waste management, catch performance, bycatch, processing efficiency and product quality through to market returns.

Summary

There are still too many incidences of a range of labour abuses and human rights violations happening on vessels, not only to the fishing crew but also observers on-board. Clearly, the need for a sense of social responsibility in fisheries has never been greater. While the FAO is working on guidelines on this issue, there is as yet, no single, globally accepted standard except for the common elements in the social responsibility benchmark developed by On-Board Social Accountability (OSA). By assessing themselves against a benchmark such as this, companies are better able to implement social accountability, improve worker conditions and demonstrate responsibility and transparency in their supply chains. 🌐



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