

Meeting Minutes ASC 6th Technical Advisory Group (TAG) Meeting

CHATHAM HOUSE RULES APPLIED

- 5
- Date:** 26 & 27 September 2012
Location: MSC Office, London
Present: Peter Cook (PC), Daniel Fegan (DF), Dominique Gautier (DG), Jay Ritchlin (JR), David Basset (DB), Sian Morgan (SM), Michael Tlustly (MT), Flavio Corsin (FC), Sandra Shumway (SS), Leo van Mulekom (LvM; (away from 11.00 AM-2.30 PM) 26th, full 27th), Anne Laurence Huillery (AL), Petter Arnessen (PA), Neil Simms (NS), Bas Geerts (BG), Chris Ninnes (CN), John White (JW; 26 Sept.), Peter ter Heijde (PtH; 27 Sept.), James Sullivan (JS; afternoon on the 26th Sept. by phone), Sabine Daume (SD; full 26th and morning 27th), Michiel Fransen (MF)
- 10
- Absent:** David Jarrad (DJ)
Observer: Alison Roel (AR; MSC), Stefano Minischetti (SMi; 27 Sept., MSC)
Minutes: Michiel Fransen
- 15
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AGENDA

DAY 1: Wednesday 26 September

- 25
1. Welcome / Opening meeting
 2. Approve meeting notes
 3. TAG Action list
 4. Update on ASC
 5. Feedback from the farm
 6. Incorporating social auditing requirements (P7) in ASC farm certification and accreditation requirements
 7. Harmonizing definitions across standards
 8. P7, add guidance for farmers in audit manuals
 9. Introduction to TWG-Feed
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DAY 2: Thursday 27 September

- 35
10. Protocol variance request
 11. TWG-Group certification
 12. TAG Terms of reference / Whistle Blowing Policy / Letter of Commitment
 13. Retrospective data requirements first audit
 14. Revision cycle ASC program documents
 15. MBA Benchmark study
 16. Elections Chair, Vice-chair & 2 SB-members
 17. A.O.B.
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credible environmental robust multi-stakeholder
responsible transparent worldwide education
impactful change independent social effective open
solutions efficient partnership

45 **INPUT PAPERS**

- [ASC TAG_AGENDA_Meeting_26 27 Sep2012_20120920-FINAL.docx]
 - [ASC 4TAG meeting notes Amsterdam Dec 13-14 vs20111222-DRAFT.pdf]
 - [ASC 5TAG meeting Telco Jan 10 vs2012110 – DRAFT.pdf]
 - [DEFINITION_LIST_20120920.xlsx]
 - 50 • [ASC_TAG_Action_list_20120920.xlsx]
 - [TAG_#6_London_-Bas_20120923.pptx]
 - [20120914_ASC TAG TOR and Rules FINAL DRAFT – input TAG 13-14Dec-CLEAN.pdf]
 - [ASC Whistleblower Policy – FINAL DRAFT NF 07052012.pdf]
 - 55 • [TAG P7 Discussion Paper v2.docx]
 - [ASC Farm Group Certification Requirements – Draft v0.0_20120901.pdf]
 - [TWG Group Certification Members_20120903.xlsx]
 - [TAG_Commitment_Letter_TEMPLATE_20120402.docx]
 - [Memberlist_TAG_20120501.xlsx]
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WEDNESDAY 26TH

1. Welcome / Opening meeting

Meeting opens at 09:15.

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Agenda

- Agenda for this TAG meeting was approved.
- TAG agreed on a Chairman for this TAG meeting since TAG has not yet selected a chair and/or vice-chairman.
- 70 • John White will be present on the first day (26 Sept.) of the meeting as observer.
- Alison Roel will be present during the meeting as observer.
- Stefano Minischetti will be present on the second day (27 Sept.) as observer.

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2. Approve Meeting minutes

Approval of minutes 4th and 5th TAG meeting

- The feedback on the minutes of 4th TAG Meeting in Amsterdam have accidentally been lost and asked again for feedback.
 - There was stated re. item number 8, that he expressed an interest as a SB-member, not as Chair of the TAG.
 - All other feedback issues have already been resolved.
 - The minutes of the 4th TAG Meeting in Amsterdam were approved.
- 80 • Meeting notes of 5th TAG meeting (teleconference) are approved.

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3. TAG Action List

[See: ASC_TAG_Action_list_20120920.xlsx]

All outstanding action list items have been closed, except for the following:

- 1; A question was asked about progress in appointing an additional (Asian) SB-member

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- This is an SB-internal issue
 - There is one candidate (a respected representative in the processing and production industry)
 - There is asked if job/candidate criteria could be formed. This would ease the search for future candidates.
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- This will be discussed internally
- 100
- 2; There is mentioned that creating training materials and conducting training for CB's is a critical requirement for the ASC's development. A consultant has been contracted to carry out this work.
 - 46; Whistleblower Policy has been taken out of the TAG ToR and has been developed as a separate document. This policy will apply to ASC's entire governance structure.
 - 72-75; All approved and Version 1.0 uploaded on website.
 - 79; Call for candidates has been made.
 - 80; Dependent on finalizing point 79
- 105
- Question if we register visitor numbers to the website.
 - this is currently not the case, and noted that ASC also reaches out through various other channels (newsletter, twitter, etc.).
 - the definition of "group certification" should be made clear, in order to define what constitutes a "group" (in terms of size/composition).
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- added to this by asking how sampling will be done in larger groups
 - Technical Working Group will develop methodology.
- there are some difficulties (in the working of the TAG?) due to the wide range of time zones and the size of the group.
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- the current size of the TAG (15-16) is sufficient, and although time differences are present, this should not restrict the performance of TAG. If it does prove to be limiting TAG performance, a solution will be sought.
 - although the TAG currently consists of former AD-members, this will change in the future as TAG members will be selected on the basis of their expertise rather than as representatives of individual dialogues.
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4. Update on ASC

ASC labeled items in supermarkets

- 125 Since 20 August 2012, certified Tilapia can be found in over 2000 supermarkets in Holland. Labeled Pangasius has also been on sale since mid September. Uptake of ASC-labelled products by the market has been quicker than expected.

Staff

- 130 The current ASC-staff consists of: Chris Ninnes (CEO), Bas Geerts (Standards Director), Sun Brage (Communication Officer), Tilly Sintnicolaas (communications consultant), John White (Director of Development), Peter ter Heide (intern) and Michiel Fransen (Standards Coordinator)

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Office

- 140 The ASC Office will move in mid October/November to the third floor of Nieuwekade 9 in Utrecht. It is expected that this new office will have enough room for the next 1-1.5 year. Future expansion up to three rooms is possible at the same location.
- 145
- Overview ASC Certification Scheme Documents on-line. These documents are an important reference point for CAB's as it will give all latest versions of all ASC's official documents.
 - Question about ASC's plan/approach for the North American market
 - the US will be an important market for the ASC and we will develop a dedicated strategy.
 - 150 ○ the Canadian market is important as well
 - the Canadian retailer LobLaws is a strong ASC supporter & recently received ASC CoC certification.
 - press and media announcements can create a lot of awareness in both regions.
 - 155 • Question about the commitment level of the retail sector.
 - in Holland, 100% of current sales are retail and that retail uptake is strong in Europe in general (less in Southern - and Eastern Europe). There are also initiatives to promote the ASC program to increase public awareness and commitment.
 - 160 • Uptake of ASC is slower in the UK But the first ASC-certified Pangasius product is expected shortly.
 - This was confirmed
 - Question what approach ASC has towards Ahold's policy of promoting their own label.
 - 165 ○ This is currently not an issue, since Ahold is still using the ASC-logo on packaging. How this will develop in the future is unclear, but it is felt likely that the ASC label may not be used by some retailers.
 - The current tendency in the USA and Canada is to move away from 3rd party certification schemes.
 - 170 • Question if ASC Standards are legally protected.
 - this is not the case as the standards are freely available. However the ASC logo is trademark protected.
 - There is a question how this will work in future.
 - It was agreed that "cherry-picking" of elements of the ASC Standard by third parties may happen, but that this is inevitable because of ASC's transparency policy.
 - 175 • Question if companies can use the name "ASC" for their own benefit.
 - "ASC" is a registered trademark and thereby protected.
 - Question: what if companies use "ASC" for promotional reasons.
 - 180 ○ this can happen, but that there is a strong market (peer to peer) control.
 - Question: what are the plans for other countries/regions.
 - the main outreach is now done by CN and JW. A major step forwards is the approval of the EU funded China Project.
 - 185 • Question if the China Project focus will only be on exported products.

- That this has yet to be determined.
- Certification in China has its own challenges: own certification schemes as well as issues relating to CB's (CB's need to be registered with the government)
 - 190 ▪ there are already CB's active in China, so these hurdles can be overcome.
- Certification progress is explained
 - Question if North America still involved with cobia.
 - 195 ▪ this is the case. Japan is also now involved and the next AD will be organized in Japan.
 - Other species will be added to ASC in the future.
 - 200 ▪ future standards will need to be harmonized with the existing standards in order to improve the efficiency and effectiveness of the ASC.
 - 205 ▪ question how the choice of new species will be made (value/volume/EI)
 - 210 ▪ the original criteria of WWF may be a useful starting point
 - 215 ▪ financial input and clear commitment of the sector is also important.
- The issue of the audit manual being too long/binding
 - this issue is handled under item #14.
- It is not easy to find relevant information at the ASI website..
 - Action Point: this will be discussed with ASI.
- Question: although ASC is not yet fully approved by ISEAL, if this okay with ISEAL
 - ASC is in the process of completing the ISEAL-membership procedure.
- ASC's 3-year strategic plan and that the SB of ASC was satisfied by this draft plan. Before the end of 2012 this plan will be finalized and shared with TAG.
 - The main focus will be our work in receptive markets in Europe and North America. Parallel but modest activities will look at the potential of other markets for ASC certification.
 - a clearly stated goal is of highest importance for ASC.

220 **5. Feedback from the farm**

A presentation about the experiences with the audit & certification process of Regal Springs Indonesia

- TAG asked what improvement has been seen in the farm as a result of the process.
 - 225 ○ No major improvements were required because RS adopts best practice and has prepared for audits for some time.
- TAG asked how the logo licensing fee was handled.
 - The company that provides the final packaging (they print the logo) is invoiced.
- TAG asked how this is done in the case of mixed products (eg salads or prepared meals)
 - A fee is also expected for mixed products using the logo.
- TAG asked what was the main reason for undergoing certification.

- 235
- AL commented that it was mainly from a commercial point of view to satisfy their customers requirements.
 - TAG discussed the choice for CB's
 - Possibilities in future are to merge the accreditation processes for MSC and ASC CB's.
 - Different certification models were discussed. One idea was to have a "pool" of CBs that are allocated to a particular audit. However, potential negative consequences for the commercial viability of CB's was recognised.
- 240

6. Incorporating social auditing requirements (P7) in ASC farm certification and accreditation requirements

- 245
- TAG reacted to the presentation by James Sullivan by asking what was the reason behind this plan.
 - It is mainly from an efficiency driven perspective.
 - Comment that the content of P7 will differ between species because of differences between production processes of different species.
 - WWF aims for harmonization and that this is initially a change on the structure of the standards.
 - There are two possibilities in this case: content and structure.
 - Harmonization is proposed to structure of P7, but to keep it in each standard for now.
 - Taking out P7 into a separate standard would save costs.
 - Not everybody is convinced that any costs would be saved by this plan.
 - Sometimes external SA8000 CB's are attracted to the job. This is (very) expensive.
 - Proposed to remove the idea of transforming P7 as a separate standard, but to leave it in the individual standards and harmonize the structure of the standards documents.
 - TAG agreed.
 - Action Point: harmonize structure of P7.
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7. Harmonizing definitions across standards

explanation proposal.

- As a result of discussion under point 6, TAG agreed with the proposal.
 - Action Point: to develop a harmonized definition list.
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8. P7 add guidance for farmers in audit manuals

Explanation of the proposal.

- TAG discussed the proposal
 - CAB's often encounter cultural issues between farms and countries
 - It should be a simple document for farmer's use.
 - There is added that it should be like the "Quick Start Guide" in plain language, covering P7.
 - TAG agreed to the proposal.
 - Action Point: ASC to develop guidance on P7 for farmers.
- 275
- 280

9. Introduction to TWG-Feed

Project proposal is presented.

- 285 • TAG indicated that a clear distinction has to be made between farm (feed component use) requirements and feed production (factories).
- A clear definition on what to certify has to be made: feed (product) or feed factory (process).
- Already quite some work has been done during the AD's by feed stake holders present. This will be used as an important starting point.
- 290 • TAG also stressed that the exact scope of project needs to be more clearly identified.
- TAG advised to have a look at the National Academy of Sciences for their latest edition on aquaculture feeds to avoid needless duplication of effort.
- 295 • TAG advised to also look at other initiatives in the same field as a starting point
- ASC will adjust and advise on the ToR composition for TWG & share with TAG.

THURSDAY 27th

300 *Start meeting 09:00*

10. Protocol variance request

Explanation proposal

- 305 • Examples of Variance Requests are given and indicated there is a need for a protocol as an intermediate model since ASC's CEO & Standards Director approve these requests.
 - More than one person should make a decision on variance request.
 - Agreed and added that at least one external person (non-ASC staff) should be included for transparency.
- 310 • Also members emphasised that the variance request process should be transparent.
- TAG discussed the composition of a committee to deal with variance requests.
 - 315 ○ Proposed is a variance request committee excising of the CEO (CN), Standards Director (BG), Chair TAG and Vice-Chair TAG.
 - If Chair and Vice-Chair do not give a realistic representation of stakeholders, a 3rd person from TAG can be added.
 - TAG members who are associated with a CB are excluded from participation in the committee.
 - 320 ○ When notifying the variance request committee, TAG members are in cc, CB-representatives excluded.
 - The intent is to eventually establish a hierarchy of decision-making. For VR where a precedent has been established the Executive will respond keeping TAG informed. Where precedent has not been established and the implications of the decision-making will be significant (in terms of the certification outcome or from stakeholder interest) then a disciplined policy development process will be required. For the VR falling between these two extremes the process
 - 325

330 above will establish further precedents to guide efficient decision-making.

11. TWG-Group Certification

335 *Explanation on the progress to date and that Group Certification Requirements will be added to the Farm Certification and Requirements (CAR)*

- Question: if any info is available on budget.
 - this is not yet the case.
- One of the key aspects of Group Certification is to provide greater efficiencies in the certification process, thereby allowing small farmers to join the program.
- 340 • Group certification of vertically integrated companies will be relatively easy. However, if smallholders are not properly integrated, group certification might prove rather difficult.
- Method could be applied to larger farms.
 - 345 ○ The Salmon AD did not take group certification into account when developing the Salmon Standard.
- The issue of definition of a group and at what level group certification applies. For example, would it apply to a collection of farmers as the group certification entity, or could processors supporting a group certification on behalf of their suppliers.
 - 350
- The ownership of the certificate should be intended for farmers, not for processing companies. He also added that ownership by larger companies could result in a reduction of 'freedom' of farmers. There was not consensus on this view.
- 355 • TAG agreed that clear definitions on what defines a "group" are needed.
 - The document contain essential, clear information on: what, why, when, who.
 - A clear distinction needs to be made in the approach to group certification. Particularly whether the scope is aimed at smallholders or for bigger companies with multiple farm units.
 - 360 ○ There is suggested that separate group certification for large and small-scale operators and/or by species may be considered.
- Action Point: clarify intent and scope of project. Second draft will be shared with TAG.

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12. TAG Terms of reference / Whistle Blowing Policy / Letter of Commitment

An introduction to the Whistle Blowing Policy is given

- TAG approved the WBP.
- The 'Ombudsman' will be Hank Cauley, SB-member of ASC.
- 370 • Action Point: upload WBP on ASC website

TAG Terms of Reference are introduced

- There is commented on content of ToR regarding voting rules adjusting to 51% (50% + 1%).
 - 375 ○ Current ToR states more than 50%.
 - In-person presence is not needed. Can also be done by mandate.

- The terms of TAG-members expiry be managed to avoid the situation that a majority of members leave TAG at the same time. This to preserve continuation of TAG.
- 380
 - A circulation scheme is suggested.
 - The need for a framework to manage this is stated.
- Question: about size/power of individual stakeholder groups in TAG.
- 385
 - Participants of TAG should not be considered as representing a stakeholder group. Members of the TAG are selected based on individual expertise and not their stakeholder affiliation.
- There is some concern about the balance of stakeholder representation of TAG-members.
- Action Point: inform SB of this concern.
- Question: if the ToR is agreed for the next 4 years.
- 390
 - ToR is valid until TAG or SB decides it no longer functions well. If changes are needed, it will be tabled again for renewed approval.
 - TAG approved the ToR
- Action Point: fine-tune lay-out and make corrections. Upload on ASC website.

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Introduction to the TAG Letter of Commitment. SB signed this document and requests TAG (and all other ASC governance bodies) also to sign it.

- 2 members need to verify LoC by company legal department.
 - All TAG members sign LoC; with exception
- 400

13. Retrospective data requirements first audit

Introduction to the topic.

- 405
 - Related to this point there is stated that there is too much difference between farming methods to harmonize the standards.
 - TAG agreed.
 - It is indicated that several pre-audit checklists are missing. ASC will complete the missing files and send them to TAG. TAG will check and respond to this.
 - Question: what is the definition of “production cycle”.
 - the definition and time related requirements are different per species.
 - 410
 - Action Point: Complete pre-audit checklists (ASC; before end October 2012), feedback on files from TAG (before end November 2012).

14. Revision Cycle for ASC Scheme Documents

415 *An introduction to the topic.*

- Question if reviews are only editorial.
 - Answer: it can vary. ISEAL has been consulted on what changes can be made by ASC, without further public consultation (e.g.: lay-out, spelling, adding guidance).
- 420
 - It can either be on content (TAG-job) or on lay-out (ASC-job).
 - 12 months for revision might be too short and that 18 months might be a better option. The revision process could be started after 12 months with a view to introducing a revised version to the market after 18 months.

- 425
- It is referred that Standards are not revised until a review concluding the need for revision is conducted. This review must be undertaken every 3-5 years. Other Scheme Documents can be revised as needed but introducing these changes should be done at a fixed point concurrently for all standards. The suggested timing is once every 12 months.
- 430
- The decision was made that Standards be reviewed every 3-5 years with necessary public consultation to be compliant with the ISEAL Standard Setting Code; clear-cut mistakes can be corrected as needed. Scheme Document revisions will be announced through the normal communication channels and undertaken in parallel, but these will (typically) be released to certifiers once every 12 months
- 435
- Action point: ASC to propose revision dates (based on operational capacity).

15. MBA Benchmark Study

Introduction to the topic.

- 440
- TAG had an extended discussion on MBA history, purpose of their benchmark and required response of ASC.
 - The following response was agreed upon:
 1. ASC will react to MBA based on facts in current draft.
 2. Further consultancy inputs may be sought
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3. If necessary, ASC will request an open discussion with MBA to have a joint look at MBA's current methodology
 4. ASC will prepare PR-statement in case rating turns out negative for ASC.

450 16. Elections Chair, Vice-chair & 2 SB-members

The following candidates were elected:

TAG Chair:

- Peter Cook

455 TAG Vice-Chair:

- Sandra Shumway

TAG Representatives on Supervisory Board:

- 460
- Peter Cook
 - Petter Arnessen

TAG and present participants congratulate Sandra, Peter and Petter on their new positions.

465 17. A.O.B.

- There is mentioned that stakeholder representation in SB is not balanced.
 - TAG discussed requirements for a balanced membership structure within SB.
 - It was recorded that the SB has actively reached out to different NGO-representations on TAG, but that the appetite to join SB was low in this group to date.
- 470

- The following statement by was accepted “That the TAG strongly supports the efforts of the board to maintain a balanced stakeholder representation”
- 475 • There is mentioned that scopes of standards differ significantly. TAG prefers Latin names for species identification.
 - TAG agrees.
- 480 • In Tilapia Standard/Audit Manual the issue of energy consumption by farm, as the well as mortality rate of fish, needs to be better supported by guidance to ensure consistency of application. An excel sheet for farms is proposed.
 - Suggestion is written down in Issue Log of CAR.
- 485 • A TAG-guidance is requested as to the required content of the SCAD-Standard and Audit Manual.
 - The TAG formulated the following recommendation: “Given the original Dialogue vision of identifying and minimizing major impacts of aquaculture, the need for audits to be effective and achievable, and the preference for reducing the monitoring and documentation burden on farm operators, the TAG encourages SCAD and other Dialogues to strive for conciseness and simplicity in developing criteria and indicators, while still retaining overall credibility of the standard, and ensuring certified farms have clearly defined levels of allowable impacts.”
 - TAG approved this statement.
- 495 • The TAG is informed that FC will resign from TAG as his organization will need to focus on new projects, now that the ASC-related projects (Pangasius, Shrimp and Tilapia) are in the market or close to completion.
 - FC offered to be available for specific technical matters.
 - TAG agreed that the position will not necessarily be taken by Pangasius AD-member.
- 500 • TAG executives thanked FC for his valuable contribution to AD’s & TAG.
 - TAG agreed that the position will not necessarily be taken by Pangasius AD-member.
- 505 • AL mentioned that sometimes laws in standard don’t meet local laws & regulations.
 - Answer: National law overrules unless standard dictated else.
- TAG-members can find all action items in the separate TAG action list.
- 510 • Next TAG meeting will be in January 2013 (by teleconference). Exact date will be determined by means of an online planning tool.

6th TAG Meeting is closed on 27th September, 17:00

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Aquaculture
Stewardship
Council

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