

MEETING MINUTES, ASC TECHNICAL ADVISORY GROUP (TAG)

MEETING NO 8 (in-person)

Date: 6 & 7 October 2014

Place: Silverland Hotel & Spa, Ho Chi Minh City

Attendances: Peter Cook (PC), Dominique Gautier (DG), Jay Ritchlin (JR), David Basset (DB, notes day 2), Michael Tlustly (MT), Sandra Shumway (SS), Anne Laurence Huillery (AH), Petter Arnessen (PA), Neil Simms (NS), Sabine Daume (SD), Daniel Fegan (DF), Sian Morgan (SM), Leo van Mulekom (LM), Bas Geerts (BG, notes Feed update day 2), Chris Ninnes (CN), Michiel Fransen (MF, notes day 1)

Apologies: David Jarrad (DJ), MSC

Observers: Boris Sulzberger (ASI), Cu Thi Le Thuy (ASI)

1. Confirm agenda / quorum & approve meeting minutes last meeting

Chair opened meeting at 09:00. Quorum for meeting confirmed. Agenda approved.

Minutes last meeting:

- Page 8; change “incentivize” into “how to provide incentive to”
- Page 10; change “We cannot preamp outcome” into “predict”.

Decision: with amendments above minutes TAG 7 were approved.

Action: Minutes to be corrected, circulated to TAG and uploaded on ASC website

2. Action items List TAG

#92: It is proposed to add rewording auditor guidance as a workflow to the Harmonization Project. Essential fixes to be done when they appear; others to be processed after harmonization. Combination indicator/requirement in the standard must be auditable. Text in Audit Manual should be reworded to be less prescriptive and more guiding. Action item closed.

#99: Item in progress. Currently the VR-committee and if needed relevant TAG-members are involved in VR processing.

Action: Keep TAG updated on VR-log added to monthly TAG-update. Action item closed.

#100: Item yet to be done.

Action: ASC will send out issue log items on specific species to relevant TAG-members for them to review.

#101: Standard Revision procedure being developed as part of the ASC Standard Setting Procedure, as part of ASC’s process of becoming a full member of ISEAL (deadline 30 Nov)

Action: ASC will keep TAG updated. Action item closed

#102: Setting of ToR for review of the Salmon Standard should also include non-industry members. This is embedded in action point #101, the development of the Standard Revision procedure (in accordance with ISEAL requirements). Moreover, it will be part of the ongoing process by which the Global Salmon Initiative (GSI) will share information on several issues with the ASC. Action item is already covered by #101

Action: #102 will be deleted.

#103: Metric reporting on audit assessments.

Action: #103 will be deleted. Dealt with as workflow to the Harmonization Project

#104: Comparison between Salmon and Trout Standard, including smolt production.

Action: Will be shared after TAG-meeting.

#105: TAG to decide on improved scope of Salmon and Trout Standard.

Action: to be done

106: ToR Harmonisation Project. Will be updated and shared with TAG.

Action: work in progress. To be shared with TAG.

#107: ASC secretariat shares information on feed project on regular basis with TAG.

Action: This will be continued. Action item closed.

#108: Can feed mill be partially certified or does it need to be for its full production?

Decision: TAG advises that partial certification must be possible to allow for a gradual change.

Action: Action item closed.

#109: TAG recommends that public consultation in the feed standard development process should be done in an as participatory way as possible. Organising in-person meetings in places where relevant people are anyway may be a way to address this in a effective and efficient manner (e.g. ESE in Brussels).

Action: Action item closed.

#110: Current standards refer to feed ingredients coming from sources which are certified against an ISEAL compliant scheme, 5 years after the initial publication of the respective standard. However, supply is lagging behind and this requirement will not prove feasible. Tilapia will be faced with this first at the beginning of 2015, being the first standard to be published in 2009. The TWG on Marine Ingredients of the Feed Project will come up with an alternative approach.

Action: This will be presented to TAG when more advanced. Action item closed.

#112: the 2 TAG-members in board of SB serve as information link between the two governance bodies.

Action: Action item closed.

3. Update on ASC's activities

ASC Executives present update on the progress of the development of ASC. Various aspects are highlighted: standard development, market uptake, active & upcoming projects

On MoU between ASC, GAA and GlobalG.A.P. A possible alignment of accreditation requirements between the other schemes within the MoU (GlobalG.A.P. and G.A.A.) is discussed. At this moment in time in the MoU it is too early to tell if this is realistic. At this moment the MoU has no set time limits. Key interest areas have been identified (feed and standard comparison) and are being worked on.

Current volumes of certified production were presented and discussed. It is concluded that these numbers are relevant for the TAG to receive periodically.

Action: ASC will include these numbers in the existing periodic update to TAG.

Discussion: on CB accreditation. It is recognised that there is a considerable variance in distribution between accredited CABs per species per region.

Action: ASC will compose CAB overview per region per species and circulate this to TAG.

Discussion: on ASC Auditor Training Course. Current training set up focuses on standards' content. Hands-on practical advise on how to actually apply standards at a farm could be considered.

Action: ASC will further develop training course and inform TAG as soon as the new format is known.

Discussion: On the possible development of a combined standard between ASC and MSC on Seaweed, as most seaweed traded globally comes from sources being a hybrid between wild and cultured. ASC's and MSC's executives are exploring possible joint approaches.

Action: ASC will keep TAG updated.

Discussion: on new ASC species. The possible addition of new species is discussed. Standards for new species need resources (financial and human) to be developed. It will depend per species if resources will be available. It is foreseen that ASC will lead these Dialogues, although it may also be possible that external groups lead these processes. In either case ASC's Standard Setting procedure will need to be adhered to. At this moment there are no immediate activities planned for adding new species. The Harmonisation Project will have priority, and will make it easier to add new species.

Action: ASC will keep TAG updated.

Discussion: An update is given on the Grouper/Snapper/Barramundi Dialogue lead by WWF. To ASC's understanding this is still ongoing. ASC informed WWF that ASC is about to start its Harmonisation project and that adding species will be easier once this project has been concluded.

Action: ASC will keep TAG updated.

Discussion: on the Harmonisation Project. Whether the Core Standard will be system based, remains species based or a combination of both has yet to be decided.

Each ASC Standard must have a 3-5 year review/revision cycle (ISEAL-requirements). It could be that the Harmonization Project and the Revision Cycle are within the same period. Combining the two is not unthinkable, but focus will primarily be on restructuring. For any content revisions, new working groups will be formed (former AD's are not re-installed, although former members may join). This project's ToR contains a rather detailed planning for this project.

Action: ASC will keep TAG updated.

Discussion: ASC executives provide an update of ASC's involvement in GSSI (delivering feedback on the first Draft). In following discussion it is clear that there are many things not clear at this stage as much is still being discussed and developed within GSSI, not the least because of the considerable amount of feedback they received during their public consultation.

Action: ASC will keep TAG updated on GSSI involvement

Discussion: Update on group certification. TWG has been inactive recently due to other priorities. ASC's draft requirements have been compared with GlobalGAP's methodology. It was found that the approaches are quite similar.

Action: ASC will keep TAG updated.

4. Draft changes to ASC's Farm Certification & Accreditation Requirements (CAR)

ASC Secretariat presents the proposed changes to the ASC's Farm Certification & Accreditation Requirements (CAR).

Discussion: The Requirements for Social Auditor remain in essence the same. Currently social auditors need to be SA8000 accredited which in practice proved not to be possible in all instances and this causes problems in implementing this requirement. The proposed changes no longer require social auditors to be "accredited" for SA8000, yet to have followed the 4-5 day training course. Leo will provide feedback after the meeting.

Decision: TAG agrees with proposed changes to CAR.

Action: proposed changes will be implemented, provided feedback Leo van Mulekom will be considered.

Discussion: on necessity of having auditor qualifications/competences in CAR. These are put in for clarification reasons.

Discussion: on confidentiality of audit findings. Confidential audit findings can currently be excluded from the public audit reports, by putting it in a non-public annex. In those cases CABs shall clearly state, in the public audit report, what information it relates to and why it was decided to exclude it. This will allow other stakeholders to challenge it, if need be. Regardless, all data must be accessible to ASC at all times.

Action: No direct action – to keep in mind for M&E (e.g. analyse which elements are excluded).

Discussion: Timelines for the certification process are hardly ever met by CABs. ASC's SB has chosen to have strict timelines to make sure no unnecessary delays will occur.

Decision: More analysed overview of current performance needed.

Action:

- ASC to collect data on average delivery time.
- ASC to explore possibilities to improve the stakeholder consultation/involvement process and send proposed changes to TAG (DEADLINE: January 2015).

5. Standards implementation review / Harmonisation of Standards

ASC Executive presents the Project.

Discussion: TAG advises ASC to develop a framework to log the changes made. This will facilitate stakeholder involvement better.

Action: ASC will contact various TAG-members to get practical advise.

Discussion: on comparison of the current Standards. ASC made an overview of all principles, criteria, indicators and requirements for all existing ASC Farm Standards. This will give a clear overview of the differences and overlapping components between the Standards.

Decision: This comparison will be circulated with TAG.

Action: ASC will send comparison to TAG.

Discussion: on possible comparison of the Audit Manual Requirements.

Decision: this will certainly be part of this Project.

Action: to be noted down.

Discussion: on Terms of Reference of Harmonization Project. TAG asks for explanation on what “burdensome” would be (page 2).

Decision: “burdensome” does not reflect the view to reduce requirements, but to reduce non-needed explanations as much as possible. If diverted methodology does not reflect described methodology, a clear methodology is needed.

Action: ASC will re-write “burdensome requirements”

Discussion: on Terms of Reference of Harmonization Project. There are no clear steps of how the alignment process works.

Decision: This is needed in the ToR.

Action: process working steps will be included in ToR, with deliverable 1 being the process timeline.

Discussion: on Terms of Reference of Harmonization Project. Transparency is key for this project. The current definition of “Transparency” does not suffice.

Action: ASC will adjust definition transparency in ToR.

Discussion: on Terms of Reference of Harmonization Project. “Alignment” gives confusion

Decision: Leave alignment out of ToR.

Action: ASC will remove Alignment out of ToR.

Discussion: on Terms of Reference of Harmonization Project. Decision-making text needs to be clarified.

Action: ASC will clarify decision-making text in ToR.

Discussion: on Terms of Reference of Harmonization Project. Can external expertise be contracted?

Decision: This is possible, but depending on available financial resources.

Discussion: on the 15% performance line. At some point it will need to be decided what the 15% precise is.

Decision: All agree. No further discussion date/opportunity is decided on.

Discussion: on a decision making tool for the indicators.

Decision: A framework will be needed.

Action: ASC will look into possibility to develop a decision-making tool for the harmonization work.

Discussion: on the necessity of BMP's in the Standards.

Decision: BMP's are not needed.

Action: BMP Performance Indicator will be removed.

6. Quality Assurance

BG presents information to TAG first presented in 2013 – findings by NEAQu, based on 19 audit reports of pangasius farms (based on information as available as of June 2013) relating to auditing issues from on site inspections.

With real life experience from multiple regions by multiple CABS well founded conclusions can be drawn based on real time data – this is a good time to draw stock and review.

Data demonstrates some odd variations in reporting between farms, but also between CABS and also between auditors.

Points and Observations

- ASC took a conscious decision not to be too prescriptive in the manner of reporting expected. (For version 1 of the CAR.) However, for subsequent versions of the CAR, a more standardised reporting format will be implemented.
- A couple of reports were submitted with totally blank social auditing sections.
- Insufficient supporting information given – i.e. some auditors note “compliant” but without providing supporting information.
- unless the report is fully completed (i.e. missing entire sections) then the report should not be posted on the website. No certification should be issued. As a first level step this is very easy. (Parallels to MSC.)
- pangasius reports consistent with work that has been undertaken on QA with salmon standard certification.
- Point of this discussion is on reporting and not on discrepancies between categorisation of major and minor non-conformances. (Although all acknowledge that this is an important discussion to have.)
- Not all files are complete in their data.
- Some show reports of “non-compliance” but do not specify major/minor.
- Differences in presentation and scoring of data – making translation to a database difficult.

- Levels of qualifying information vary – extensive to nothing at all.
- Two questions arise – were the right criteria included in the standard? Were the requirements set to match best practice?
- are 20 days sufficient to produce a report on the site?
- Looking at a suite of values in a criteria, a systematic issue might move a single minor non-conformance to a major non-conformance.
- In the absence of numerical scoring, subjective value judgements will occur and therefore precision in reporting will be affected. (This relies on the skill and experience of the auditor.)

How to implement QA – some ideas

- Include more stringent / standardised reporting requirements in CAR along with more guidance for reporting and increased emphasis on reporting requirements in the auditor training. (SM – this is important.)
- Check of a sample number of reports received in to ASC.
- can there not be an online template / standardised pdf? It is noted that software packages exist to help facilitate this.
- there are resource / administrative issues to this, but the value and benefit of this is noted. This will become easier though post the harmonisation process.

Introducing a template will help with certain points, but not all – i.e. at what point is there a trigger for the standard to be reconsidered if there is consistent failure of audit points – or consistent 100% compliance by all.

TAG – compliance points. There must be zero major non-conformances for certification to take place, but minor non-conformances do not prevent certification providing that a timetable for closing them off is followed.

ASC is working with ASI on addressing the issues relating to QA but this has a cost implication. Fixing quality assurance issues does not all rest with ASI – ASC has a role to play in this.

It is very concerning that CBs are providing reports with such issues. Likewise concerning that there appears to have been no action by ASI, it might be argued that CABs ought to be suspended for returning substandard reports – especially over the issue of blanks being returned in reports.

What is the mechanism between ASI and ASC to deal with this issue?

Currently reports are all uploaded – there are not sufficient resources to review them all. This suggests one would need to operate with a high level of trust in the CAB.

There are no plans to meet with these CABs imminently, but this will definitely take place in the future.

Currently considering recruiting a person / pool of people to review reports received. (Once received, reports ought to be published in 3 days.)

Point raised that within CABs, auditing quality is fairly consistent but between CABs there is discrepancy. Therefore there is a role for ASC to provide guidance to the CABs on what is expected.

Agreed that from ASC perspective reports with missing sections are not acceptable. Basic integrity of reports is paramount and all should be given basic screening. Resourcing this is a matter of urgency. Closer review / detail – a tiered approach – needs to be established.

Action:

- General agreement that those reports that are incomplete and which have been publicly posted to the web ought to be acknowledged by ASC as unsatisfactory and are under investigation (although with relative discretion to avoid drawing attention to the problem).
- A response for any criticism / attack should also be prepared for media etc.
- Behind the scenes discussions might also be best undertaken with end label users (i.e. retailers) to explain that initial teething troubles with auditors are being addressed in a proactive manner.
- Issue will be reported to Supervisory Board at meeting following TAG-meeting that this issue is of the highest priority for staff time.

Action: – timelines for the above to be provided to the TAG by ASC ASAP

- These reports on reporting quality as received are not being released and remain in confidence with the TAG

As standards will be re-written and parts of the standards will be transferred to the audit manual(s) it is key that numeric values that are required are captured.

Requirement for a discussion on what is the definition for major and minor non-conformances.

Is their sufficient clarity in the CAR?

It is suggested that future scrutiny of reports ought to be undertaken by independent third parties.

All TAG-members note thanks to 2 members for their contributions to the TAG in undertaking this work on analysing reporting quality.

7. Feed Project Update

MF presents update on the ASC Feed Standard Development Project. It is questioned whether or not it is ISEAL compliant to take a section out of an existing standard. It is explained that although the feed composition criteria will be taken out of the species specific standards, these sections will be replaced by a clear reference to the ASC Feed standard. In essence feed composition will remain integral part of what farms need to meet in order to get certified.

It is questioned that, although by certifying the Feed Mill the ASC expands its reach back into the feed supply chain, yet it still won't have direct influence at the actual sources, like fishing vessels. It is explained that that's one of the reasons why ASC will, where possible, refer to other schemes which do. Think of seafood or agriculture certification schemes.

Action: Check ISEAL requirements. (*Update: done. Restructuring content within or across scheme documents is allowed.*)

8. Rotation TAG Members

Discussion: discussion on rotation of TAG-members. The group size of TAG, formation of a Stakeholder Advisory Group and the term for being a TAG-member are also discussed.

Decision: It must be avoided that all TAG-members rotate at the same time. Further, TAG can be extended if deemed necessary and if financial resources allow for it.

Action: ASC will check with board for re-election terms. ASC makes wish list of competencies. (DEADLINE: 4-6 weeks after TAG-meeting members shall indicate preference to stay in TAG, or volunteer to step back).

9. Update on ASC's activities

a. GSI – Global Salmon Initiative

TAG was sufficiently updated on status of this work under agenda item 3. Therefore this agenda item 9 was skipped as a separate item.

Decision: not yet available. Also waiting for GSI dashboard. Currently on hold. SM: data will be essential for review of standards.

Action: to add a “database” to capture data as an action point

Action: to be addressed via ASC via: 1) GSI, 2) Salmon standard.

Action: priority task for ASC to deal (this year!) with a first version of data collection.

Action: PC will take it to SB as another argument for harmonization.

b. New Species Selection

This will be reviewed in 2015. A short list will be produced to most likely identify three new species.

Action: TAG-members are invited to provided input on species that might be considered based on market trends / demand for certification. This should be undertaken in joint consideration with the environmental and social impacts that will be positively influenced by the implementation of a standard for that species.

Standard development may commence c. 6 months prior to the end of the harmonisation exercise.

- Current suggestions include Sea Bass, Sea Bream, Sturgeon, Seaweed. This is further to requests from people within the industry.
- Other suggestions may be turbot and halibut. Certification of eel is very unlikely.

c. Monitoring & Evaluation / Metric reporting

Metric reporting will make monitoring and evaluation much easier and consistent. There are very few requirements in most standards that trigger actual numeric / value reporting. This needs some rethinking.

TAG is not being sought for an immediate solution, but a move towards greater metric reporting is expected to be a work-stream in the harmonisation process.

Action: ASC to review the scheme documents and come up with a suggested scheme for how to resolve this. To be achieved between now and the end of harmonisation.

Is it possible to do something about social data collection?

What are the meaningful points in the standards that ought to be collected? There will be time implications for gathering this information. Not all sites may welcome this, particularly where it is not a requirement for certification but is being used for more generic information gathering.

Action: Van at the ASC office will be working on this.

Evidence of what has closed off a major non-conformance ought to be provided in the report, although it is most likely this has not been done consistently to date. This needs to

be pointed out as part of the certification requirements.

10. Any Other Business

a. Process for third parties raising issues with ASC.

It is raised that there is a problem in that third parties do not have a mechanism to raise issues / variance requests with ASC, for example in the development of a new technology or farming practice. This might lead to a stifling of innovation.

Case Study Example: A number of companies have been working on copper/nickel alloy mesh netting. This is of significant benefit with regard to anti bio-fouling and reduction in therapeutant use, in addition to reducing predation issues. However, because the history of copper coated nylon nets has not always proven satisfactory (increased copper residues underneath cage sites) and the ASC salmon standard references metrics relating to this. As such it is suggested that copper alloy net manufacturers are finding it difficult to get traction to promote their products (although the ASC salmon standard does not proscribe the use of copper nets).

The ASC standard is not the only reason why the industry might not be keen to pursue the use of these nets (cost, weight etc.).

Regardless of this case study, what is the framework for non scheme participants to enter into discussions with ASC?

b. FFDR in *Seriola/Cobia*.

SCAD is finding itself in a quandary with regard to increased engagement with the Japanese industry.

Should FFDRs, which had been looking as if they were going to be c. 3, have to accommodate practices within the Japanese industry in order to include the top 20% of Japanese producers, the FFDR figure is likely to work out to nearer to 11. Whilst this cannot be sanctioned, the SCAD are aiming towards a figure of 9 (upon publication), falling to 5 or 3 in five to ten years time. An alternative is to set the figure much lower and to risk alienating the entire Japanese industry.

Mindful that the total production tonnage is relatively low compared to other species, the considered advice of TAG is that SCAD must persist with trying to secure an agreement with a robust improvement programme in terms of a falling FFDR over a number of years.

TAG also recommends to use retailers to assist the SCAD in lobbying the industry as to the merits of signing up to the ASC standard.

To only include the top 20% globally would most likely exclude the entire Japanese industry, thereby missing the point to a certain extent in terms of ASC striving to achieve improvement across the whole industry. ASC might well be advised to produce a statement explaining the situation (whatever is ultimately agreed in the standard) in time to published along with the standard – should adverse criticism be anticipated.

c. Training Requirements

CABs are struggling with the requirement that every person on an audit team has attending training sessions as set out in the scheme requirements (section 6.1.22). This is of particular relevance to the requirement for social auditing (where the auditor will most likely already have had social audit training).

Further to discussion, the actual intention is as per the table in Annex B; i.e. only the lead auditor need have undergone ASC training. As such, a request is made to the administrative team to clarify this.

Action: – ASC to make clear that scheme documents demonstrate it is only a lead auditor that need have received ASC training.

d. Criteria 5.4.4 – Salmon Standard

OIE has recently listed a disease (PD) that is currently endemic across Norway. This makes the disease notifiable. This will now impact upon a number of sites where there is a requirement to cull in the event of a notifiable disease being detected. Footnote 122 has recently had PD added.

Action: – ASC staff will clarify this. Former SAD members currently in TAG offer to assist with this.

e. Harmonisation Process

Timeline of the harmonisation programme presented from Oct 2014 to September 2015 and then beyond.

It is confirmed there is budget that is available for limiting outsourcing and assistance with editing etc.

Action: Members of TAG are asked to consider volunteering to assist with this. JR , DF, PC, SS agree to be Volunteers.

Agenda for meeting with SB

Items that TAG wish to discuss with the SB have been confirmed as:

- Clarification of MoU
- Clarification of ASC Stakeholder Advisory Group
- Information flow between TAG and SB
- Funding
- QA and Associated issues – although no immediate response is anticipated.

[end]