

MEETING MINUTES, ASC TECHNICAL ADVISORY GROUP (TAG)

MEETING NO 7 (in-person)

Date: 7 & 8 November 2013

Place: IBIS Styles Custom House, London

Attendances: Peter Cook (PC), Dominique Gautier (DG), Jay Ritchlin (JR; by phone from 14:00 onwards), David Basset (DB), Michael Tlustly (MT), Sandra Shumway (SS), Anne Laurence Huillery (AH), Petter Arnesen (PA), Neil Simms (NS), Sabine Daume (SD), Bas Geerts (BG), Chris Ninnis (CN; 8 Nov.), Marrit Rooda (MR)

Apologies: Daniel Fegan (DF), Sian Morgan (SM), Leo van Mulekom (LM), David Jarrad (DJ)

Observers: Sonke Fisher (ASI), Oleg Kisel (MSC), Yvonne Waldeck (MSC; 7 Nov.), Megan Atcheson (MSC; 8 Nov. till noon), Sergio Cansado (MSC; 8 Nov. from noon)

1. Welcome & opening meeting

- Chair opened meeting at 9:00. Agenda schedule adjusted to accommodate external TAG members to dial in.

2. Approval of minutes

Decision: Meeting notes of 6th TAG meeting 26 & 27 September 2012, London approved.

3. Update on ASC's activities

Discussion:

- **Auditor training:** 2013 trainings will be evaluated with trainers to further improve training program & publish training agenda 2014 well in advance.
- **Social comparison:** Internal comparison of ASC Standards went beyond the social principles. All principles were compared. (*See item 13*)
- **Feed project:**
 - Feed project updates publicly available at ASC website ('project' section).
 - Michael Tlustly & Dan Fegan Steering Committee members.
 - Project set up as multi-stakeholder initiative: open & all-inclusive. Major feed industry is represented. Active outreach to Asian stakeholders (although less easy to engage). Following ISEAL procedures there will be 2 x 60 days' public consultation period.
- **Website:** Website will be restructured in 2014, including section on certification data.
- **Group certification:** Internal draft requirements ready. ASC contracted 2 consultants with smallholder certification expertise to review these & possibly trim it down to essentials. TWG to process into 1st public draft, to be used for first round of public consultation & field-testing. Feedback from both will feed into a 2nd public draft by Q3 2014.

- Partnership GG/GAA/ASC: Initial delivery: mapped overlap w.r.t. feed requirements orgs' Salmon & Shrimp Standards. Future aim to compare full systems with the intention to improve audit efficiencies.
- China/Tilapia: partnership between EU (funder), CAPPMA, WWF-China & ASC to facilitate Chinese Tilapia producers to work towards ASC certification. Initial outreach done to local Tilapia industry & initial auditors trained. Accreditation in China challenging. Voluntary standards don't translate in China (i.e. against regulation).
- FAO comparison: ASC performed internal benchmark of its program against FAO principles & found we are >95% compliant. For full compliance ASC just needs to publish a link to objections procedure (operated by CABs and ASI) & complaints procedure (drafted, to be published in 2014). ASC will not pro-actively communicate on this externally.

4. Action item list

Action:

- List contains many action items that are closed (status 'done'). Hide in doc for future use.
- #55 (unit of certification): ASC prepared overview of all definitions used in all Standards with the aim to standardize these as part of the harmonization project. Suggest including this action item to this process. >> Mark 'closed' in TAG Action list.
- #87 (visitors ASC website): Handed over to ASC's communications team. Included on wish list for redesign of website. >> Mark 'closed' in TAG Action list.
- #89 (user-friendliness website): information reorganised on its current website as an interim measure (e.g. farm certification data & download section). Website to be redesigned in 2014. >> Mark 'closed' in TAG Action list.
- #90 (restructure principles): ASC has compared all standards on all principles. As part of the harmonization project (*see agenda item 13*) these will be restructured in time. >> Mark 'closed' in TAG Action list.
- #91 (harmonize definitions): ASC prepared overview of all definitions used in all Standards with the aim to standardize these as part of harmonization project. Suggest including this action item within this process. >> Mark 'closed' in TAG Action list.
- #92 (adjust AM in line with intent AD): This action item will be taken on with the next revision of the AMs. >> Item remains pending on TAG Action list.

5. Accreditation process explained

Sönke Fisher from Accreditation Services International presented the accreditation process

Discussion:

- Discussion topics tabled by ASI:
 - If CAB holds accreditation for Bivalve does this give ASI sufficient confidence to "automatically" grant Abalone certification? (salmon/trout?, tilapia/pangasius?)
 - If CAB demonstrated competence to assess Pangasius farms in Vietnam, does this provide sufficient confidence that CAB is also capable to assess salmon farm in Norway or Chile?

- If CAB certified 20 Pangasius clients in Vietnam and 10 Tilapia clients in Central America in its first year of accreditation, how many surveillance audits are considered adequate in the second year (and which ones)?
- Quality control (of audit reports) currently done by ASI (not ASC) by monitoring sample of reports.
- Consideration for future: (centralized) database for collecting certification data & audit results for: 1) quality assurance, and 2) M&E.

6. Accreditation requirements for social auditing

Discussion:

- For assessing compliance against its social criteria ASC requires auditors to be SA8000 trained.
- Feedback/concerns received indicating that in practice there are not enough SA8000 auditors in ASC's main regions & it is therefore not easy/costly to include one to an audit team.
 - Upon consultation with SAI it was confirmed that there are thousands of SA8000 trained auditors. 1/3 is contracted by CBs and others operate as independent auditors. Number of auditors cannot be the major concern.
 - However, these auditors might not be equally geographically dispersed & often have to be flown in separately (i.e. resulting in higher costs).
- Discussion was raised whether CAR requirement (16.1.2.3) requiring the (SA8000 trained) social auditor to work in conformity with SAAS Procedure 200 section 3.1 (which requires the auditor to work for an accredited CAB) is too stringent.
 - ASI in their accreditation has interpreted this as the auditor having worked for an accredited CAB (i.e. he does not still need to work there). They require evidence of having performed social audits with SA8000 CABs.
 - Currently the accreditation of CABs for SA8000 has been stopped (potentially limiting the availability of accredited CABs). However, accreditation is expected to be re-opened in due time.
 - Suggestion was raised to take out reference to SAAS procedure in 16.1.2.3 & include relevant requirements from SAAS procedure 200 section 3.1 into CAR.
- The SA8000 requirement inclusion is the result (legacy) from some of Aquaculture Dialogues where this requirement was hard-wired into the Standards. ASC has therefore decided to include it in its CAR.
- Currently ASC's CAR and/or AMs do not provide guidance on how to conduct social audits (e.g. number of interviews that need to be conducted, sampling size). ASC did not want to be too prescriptive and trusts qualified SA8000 auditors to know how. As a result we now see differences in social audit approaches (and thus costs). It is questioned whether SA8000 might be overqualified for the purpose of demonstrating compliance to ASC social criteria.

Action:

- ASC to prepare draft proposal for revision/clarification of CAR requirement with regard to the 2 main points around social auditing requirements: a) CAR requirement 16.1.2.3 SAAS Procedure 200 section 3.1 'being qualified by accredited body', and b) explore what "or equivalent" means. ASC will involve Leo (and possibly create a small TWG on this) & bring this forward to TAG. Deadline: early January 2014.

- In next revision of AMs guidance on how to assess social requirements should be considered.

7. Variance request protocol

Action:

- ASC will update Variance Request procedure to include;
 - Timeframes within process,
 - Creation of variance request log and setting of precedents,
 - Involvement of TAG expertise when needed,
 - Include TAG in cc on all-but-administrative requests (clearly stating in first line of email from whom input is expected).

Deadline a.s.a.p.

8. ISEAL update / M&E

Discussion:

- ASC currently is Associate ISEAL member. To fulfil its full ISEAL membership requirements this year ASC must demonstrate compliance to:
 - a.) Baseline & improvement criteria of ISEAL's Standard Setting Code (this will be verified by means of an independent evaluation), &
 - b.) Baseline criteria of ISEAL's Impacts Code as well as demonstrating progress against improvement criteria (this will be reviewed by the ISEAL Secretariat).
- ASC has to demonstrate compliance by Dec. 12, 2013. to be approved by the ISEAL Board in April.

9. Critical items issue logs all standards, AMs & CAR

Discussion:

ASC keeps issue logs for recording all feedback received & issues identified w.r.t. (implementation of) Standards & Audit Manuals, including CAR. Issues are distilled from clarifying questions from members, feedback from auditor trainings, implementation realities from capacity builders, etc.

- Most logged issues considered minor & do not warrant direct review or revision of documents. However, there are critical items within Salmon issue log that need to be dealt with short-term.
- Standard revision procedures will have to follow principles as set out in ISEAL's standard setting procedure (AMs & CAR are not bound to this, though it may be decided to apply these requirements)

Recommendation: TAG recommends to review the Salmon Standard

Action:

- TAG members will look at the respective issue log for their species standard and AM and highlight potential show-stopping items in implementing the Standards on the short-term. Deadline end of November 2013.
- ASC will develop Standard Revision procedure (in accordance with ISEAL requirements). Deadline December 12, 2013.
- ASC will develop Terms of Reference for the review of the Salmon Standard. Deadline ??

10. ASC metrics

Discussion:

ASC Standards are metric where possible. However, in audit reports we often see auditors evaluate compliance (yes/no) & not reporting actual numeric values. Metric requirement does not equal measurable reporting.

- Recent research by New England Aquarium using data from 19 Pangasius audit reports showed that data could only be copied out of 14 reports, of which only 9 reported on (some) numeric metrics. In contrast: Pangasius Standard has a total of 330 auditable performance indicators, of which for only 5 values are specifically requested.
- CAR states that clients can request to CAB what data is confidential & should be put in a non-public annex. CAB will reference in audit report what data (if any) is put in annex and what the rationale is for doing so.
- Salmon Standard is an example of an ASC standard that is quite explicit in recording data and making this publically available. This was a clear wish from the Salmon community.
- Some Standard requirements cannot be expressed in metric values (e.g. presence of management systems or record keeping). Although the intention was to have fully metric standards, some Aquaculture Dialogues moved away from this and added non-metric requirements they felt were important too.
- Suggestion was raised to include additional column within AM stipulating reporting requirements, or to make it a requirement for CABs within the CAR.

Decision:

- TAG agrees metric values must be (consistently) reported in audit reports in order to a) increase quality control on CABs and b) collect performance data for M&E system. If doing this will imply a different use of data this need to be clearly communicated.

Action:

- ASC will include this workflow in Terms of Reference for Harmonisation project to start a sub-project on how to include metric reporting in audit reports. Deadline early January 2014

11. Scope clarification Trout / Salmon

Discussion:

- Proposed section of rewording for Salmon that it “..was developed by considering marine salmon farming..” is not correct. Aim of the SAD was to be all-inclusive and take a broad approach to also include other production systems (e.g. closed containment systems).
- Proposed section of rewording for Trout that it “.. is applicable for any salmonid grown in freshwater..” is incorrect.
- Cut off point between fresh & marine is: TBD
- In order for TAG to decide on discussed proposal TAG wishes to better understand what this would mean for each of these 2 standards by comparing requirements of Salmon & Trout Standard. With this input the TAG will be able to decide.

Decision:

- General consensus of TAG is to distinguish in scope between freshwater systems for salmonids & marine water systems (salt & brackish) for salmonids.

Action:

- ASC will provide TAG comparison of Trout & Salmon standard (incl. Section 8). Deadline November 15, 2013.
- Based on this comparison TAG will then decide on proposed scope by email.

12. Standards' comparison

Discussion

- ASC has compared all 8 Standards on all requirements; from Principle level down to individual Indicator, Requirement and Applicability.
 - Comparison is done in master (excel) database containing all raw data.
 - Audit Manuals were not included in this comparison. These will follow as a logical next step after harmonizing the Standards.
 - TAG points out that there are often good reasons why indicators and requirements are different; because species are different.
 - Suggestion was made whether harmonization requires different structure of Standards: structure based on production system rather than cultured species.
- Harmonization of the ASC standards has been mandated by the Board & will be ASC's main priority for 2014.
- TAG is supportive of the idea and supports the process. TAG agrees to the overall outcome of 1 harmonized core standard. What the exact output will be (i.e. what this standard will look like) is to be explored. The guiding principle throughout the harmonization process will be to "harmonize generalities, while preserving specifics" (i.e. harmonize those requirements that are common amongst the standards and share the same intent, while being sensitive to key issues from species and preserving those requirements that are species specific).

Decision:

- TAG encourages to begin the harmonization process & requests ASC to develop a Terms of Reference for this project, including:
 - stepwise & iterative process in cooperation with TAG.
 - Governance structure for this project should capture: a.) technical expertise (according to topics included: e.g. social, feed, legal), b.) constitutional memory (TAG members, who each were part of the Dialogues), and c.) species specific knowledge (to understand how things can be different from 1 species from another).

Action:

- ASC will develop Terms of Reference for the Harmonization Project to be send for approval to the TAG by Jan 2014.

- TAG members are invited to investigate what role they see for themselves within this process.

13. Feed project

Discussion:

- Driving objectives for the feed project are to reduce impacts of production (and use) of aquaculture feed, Focus on inputs.
- Steering Committee hosts vast experience from marine finfish ecology feeding in the wild by several members. Where Steering Committee adopts a more broad view, technical matters will be worked on by technical working groups.
- Feed project does not only include fishmeal and fish oil, but also terrestrial, land-based ingredients (e.g. soy, palm, wheat). MSC, RTRS, & RSPO are involved.
- Steering Committee decided that unit of certification will be the feed mill.
- Question was raised how to deal with time bound feed commitments within current Standards in relation to Feed Standard development?
 - Pangasius & Tilapia Standard allow for 5 years after publication of the Standard to prepare for feed requirements. Companies are already working towards these requirements. Now these may change within the new Feed Standard. How can this be communicated upfront and how do we avoid disappointment and disinvestments?
 - How to deal with feed requirements within the current Standards once the Feed Standard is launched, without having to go through a whole revision of the Standards?

Action:

- ASC to provide regular updates (when significant) on feed project to TAG by project coordinator (e.g. Michiel Fransen). This may be done by email.
- Forward question from TAG to Steering Committee regarding the unit of certification and whether the whole operation needs to be compliant, or if this can be partial? TAG recommends for both.
- TAG recommends Steering Committee to make it possible for interested parties to provide input in the process (and not only through public consultation). TAG suggest to make appropriate meetings open to interested parties (as observers) and encourage some form of public participation (for example by using the opportunity such as a Brussels' meeting as 'Dialogue' (in addition to Steering Committee meetings) to collect public input.
- Note to Board: How can time bound feed commitments within the current Standards be aligned with the Feed Standard? (BG: this is a TAG issue, rather than SB)

14. Farms in transition (FIT)

Concept of Farms in Transition (FIT) program was introduced to TAG. ASC is looking to develop this program within the coming year. The aim of this program is to give recognition to farms that are undertaking improvements with the intention to gain ASC certification, hereby rewarding farmers in the process of certification & allow them to differentiate themselves from other, conventional farmers.

Discussion:

- How to provide incentive to farmers to move from improvement program towards certification?
- Claims can be made as long as farms committed to process & improvements are being made. When improvements are no longer made, farms will no longer be allowed being part of the program.
- Verification of improvements made needs to be credible.
- ASC sees FIT as an opportunity to increase its impacts. Instead of having individual projects by individual companies, ASC will act as the initiator/coordinator to leverage projects & increase scale.
- Intention for this is to be a B2B claim.
- Important to keep his project closely aligned with other ASC projects for feed & harmonisation.

15. Global Salmon Initiative (GSI)

Introduction

The Global Salmon Initiative (GSI) is a leadership initiative by global farmed salmon producers, focused on making significant progress towards fully realizing a shared goal of providing a highly sustainable source of healthy protein to feed a growing global population, whilst minimizing our environmental footprint, and continuing to improve our social contribution. (text from GSI's website: www.globalsalmoninitiative.org) GSI represents >70% of global production of Salmon & has publicly committed to improve the salmon industry. Linked in to this announcement was a time bound commitment to ASC: all GSI operations ASC certified by 2020. This is a significant announcement for the ASC. And while ASC was not engaged with GSI from day 1, we were involved with GSI's members prior to this announcement. Decided to pursue agenda to improve salmon industry's impacts on pre-competitive basis. Interest to share best practices. Initiative driven by CEOs of these companies. Group is progressing a number of work streams, like feed & sea lice issues, and is driven by scientific knowledge and farm performance data. Discussion between ASC and GSI to date also raised number of concerns around ASC standards: whether ASC functions at best management practice, whether differences between different regions were fairly taken into account & whether requirements were set at appropriate level.

Rational for reviewing any standard, including the ASC Salmon Standard, has to be based on good reason and certainly needs to be based on newly available, scientific and/or farm performance based information which wasn't available at the time of the dialogue. Will not be simple revisiting earlier discussions or requirements. Point well recognized by GSI. GSI's main points of concern have been tabled & parties are in process to get substantive evidence which will trigger a review process of the ASC Salmon Standard. This discussion is being proceeded at Board level & board is mindful and recognizes these issues are not specific to salmon but may apply across all ASC's standards. Once standards are implemented for first times some inconsistencies become more apparent/visible. Board supports executives to monitor these inconsistencies & report them and bring to our attention. Being a new organisation with several highly detailed standards (and AMs) on-going implementation review is foreseen for the coming years.

Identified key issues are:

- Unifying concern across all salmon producing countries is issue around sea lice, particular PTI score in combination with max. number of sealice allowed as currently in ASC's requirements. Whether or not they reflect industry's current best practice.

- Concern around marine mammal interaction around acoustics deterrent devices and culling of marine mammals.
- Chile: higher natural background levels occurring. Diseases as in Chile that are only treatable with antibiotic & treatment is enforced by law.
- Scotland: smolt production in freshwater lochs is common practice & environmental impacts must be measured and are legally bound to maximum levels. Whether ASC's requirements moratorium is indeed a fair representation of the impact of smolt production in freshwater systems.
- More information is being collected to substantiate these concerns.

Discussion:

- Initiative important for salmon industry itself, but also environmental community. Whole industry recognises need for major changes in production practices. GSI studied ASC Standard & recognises parts in it will be tough to meet: some major issues may prevent them to achieve their ambition by 2020. ASC and GSI will jointly look at ways to review/revise some requirements to enable unprecedented change to industry's practices. Both parties recognise this process will be tough.
- Does the current standard certify top 15% of market? Likely not, theoretically the 15% of global production might be feasible, but certainly not across all salmon producing regions. This is not in line with ASC's intent. Certain requirements can simply not be met in certain regions due to differences in environment. This needs to be substantiated (cannot be just opinion).
 - Question from TAG: how did we get here? How can this happen?
- Purpose of discussion now is to inform TAG about developments occurred in & around GSI announcement & update on discussions tabled at Board & processes board is prepared to contemplate around this.
- Process forward: new information will come forward over next weeks which will need reviewing by TAG & will likely trigger review process.
- What is the justification for review? If substantive new information (scientific and/or based on farm performance data) is available now which was not available during the dialogues a review process may be initiated by ASC.
 - Due to time constraints during the SAD process, insufficient data may be used to substantiate some of the standard's current requirements. As a result these requirements may not be in line with ASC's intent. E.g. if 15% (across regions) cannot meet the PTI score that clearly it is not set at global best practice level
- Intent of standard to certify top 15% bmp. And not serve 70% of industry. Be careful this is not attempt to erode the salmon standard.
 - Sea lice & treatment with chemicals is very important topic for industry. Working hard on alternatives. Convinced in few years time there will be alternative. Can we in the meantime make the standard more accessible and involve major part of industry.
 - Salmon is very uniform industry. Much more so than Pangasius and tilapia. So would be more eligible to include 70%
 - Make sure the standard is in tune with evolving best practices.
 - PTI score may need to be reviewed. New farm performance data available via GSI members.

- 2 types of data: from companies & peer reviewed scientific data. The latter clearly more objective. However, this was not accepted by Dialogue at the time: company data from the ground was considered more valuable / real data. Scientific literature is often outdated data from 5/10 years ago.
- Data quality has to be confirmed by trusted independent source to be credible and valid.
- Discussed at Board by a) maintaining credibility, while b) ... “Implementation review” = some things only become available when implementation happens > review based on implementation information (info that wasn’t available before).
- We cannot predict outcome. Justify review: clear reasons & transparency around process
- Some TAG members expressed “disappointment” that they hadn’t heard from this issue (in relation to GSI) earlier in the process. Requested feedback loop from Board to TAG.

Decision:

- TAG agrees that the justification for implementation review is the availability of new information. How this review should be executed will need to be decided.

Action:

- Note to board: TAG signals to Board that reviewing and where appropriate revising and finalizing the Salmon standard is a main priority for the ASC and immediate time and resources should be put to this. What is the rationale that will trigger review? What are the main criteria for the review process?
- Request to Board: TAG asks the Board to keep TAG informed of issues.

16. AOB

Discussion:

- The question was raised: should there be a Code of Conduct for companies (farms up to retail), which will not certify all their operations/products? It was decided this is not a priority issue at this stage.

17. Next meeting

Next meeting will be scheduled well in advance. Possible in conjunction with other meetings (e.g. Brussels / Board meeting?). Strong preference for meeting to be held in hotel where participants will stay.