

The Risk Management Framework Project Terms of Reference (ToR) - Advisory Group for Community Impacts

This document is publicly available on the ASC website.

Document history

| Version | Effective date | Description of amendment | Affected section / page |
|---------|----------------|--------------------------|-------------------------|
| 0.1 | n/a | n/a | n/a |

1. The Risk Management Framework Project

1.1. Problem Statement

Amongst the ASC standards, there are two categories of requirements that address issues related to impacts on communities, environment and worker’s health and safety. Most requirements use a direct compliance-based approach: they denote a direct requirement linked to an impact or issue and farms either comply with the requirement or fail to show compliance. In this category the impacts or issues to be addressed and an acceptable level of impact/performance are predefined. However, some standards use an indirect compliance-based approach where the relevant requirement is linked to a method or plan that requires implementation tailored to farm-specific circumstances. The requirements under this category cover impacts or issues beyond the scope of the ones covered by the direct compliance-based approach category and require farms to conduct social and environmental impact assessments (SIA and EIA) and health and safety risk assessments (H&SRA). These assessments promote a risk-based approach: farms need to assess the risks of a given social or environmental impact and of worker’s health and safety and, where necessary, appropriately mitigate them.

The standards currently offer varying levels of guidance for these risk-based assessments and often leave ambiguity on how they should be conducted. This can result in overly expensive assessments, usually conducted by third parties, that, due to the lack of robust guidance, can result in poorly conducted assessments or reports of limited use. The use of third parties means that farmers may not be engaged in the risk assessment process in a way that builds their awareness of the risks from their own farm. Lastly, the requirements for risk assessments in the current indicators focus on whether or not an assessment was conducted, rather than whether any outcomes and mitigation plans were properly implemented.

The Aligned Farm Standard, currently under development, will bring all of ASC’s 11 species-specific standards into one standard that will be applicable to all ASC-certified farms. The development of this aligned standard has presented the opportunity to implement a standardised risk-based approach to community and environmental impacts and to worker’s health and safety.

1.2. Project Approach

Objective

To develop a Risk Management Framework (RMF) that will provide farms with clear and consistent elements needed to support the implementation of a risk-based approach to the requirements related to community and environmental impacts and worker's health and safety.

Expected Outcome:

The outcome of the RMF will be an extensive methodology that is:

- 1) normatively anchored within the aligned Farm Standard and including the Feed Standard
- 2) housed externally to these documents for the purpose of allowing the development of sufficient guidance and maintaining efficiencies regarding review cycles.

It is expected that the RMF will provide a formal risk-based approach to community and environmental impacts and worker's health and safety.

2. Advisory Group - Community Impacts

ASC has certified farms of varying sizes in approximately 50 different countries, in a wide range of different community settings. Developing a framework that covers such a range of needs requires profound understanding of community risk/impact assessment. ASC therefore would like to form an Advisory Group on Community Impacts to draw on expertise from others with experience of social impact assessments and community work. The advice from experts will be invaluable to better understand what and how to define: risk factors, the farmers' capacity and resource to assess and address them, and their action to mitigate them. ASC will work with the Advisory Group to ensure that the methodology used in the RMF is flexible, practical and academically sound.

2.1. Objective of the Advisory Group

To provide ASC with technical support on development of a risk management framework with a specific focus on communities. This work entails methodological development to identify, assess, analyze and mitigate risks on communities (and Indigenous communities) that arise from the operation of the farm.

2.2. Role and Responsibilities of the Advisory Group

- a) Review and provide feedback on the development of the Risk Management Framework (Community and Indigenous community impacts part only);
- b) Recommend when a draft is ready for public consultation;
- c) Assess and advise on stakeholders' comments after each public consultation;
- d) Recommend when the final draft is ready to be submitted to the TAG;
- e) Attend the Advisory Group meetings or other relevant meetings as required by the Project Leader.

3. Selection of the Advisory Group

Members of the Advisory Group will be selected according to the following criteria:

3.1. Academic qualifications

Advanced degree in Environmental, Biology, Aquatic Animal Health, Sustainable Management, Economics, Fisheries/Agriculture, Development Studies, Social Science, Aquaculture or a related subject.

3.2. Experience

- Knowledge of social impact assessment methodology, FPIC, other relevant impact/risk assessments
- Experience working with risk management frameworks, including social impact assessment and/or FPIC
- Successful track record on making policy and implementation recommendations
- Strong analytical and strategic thinking skills and demonstrated research skills
- Ability to review and comment on documents submitted by the internal working group in the working language agreed for the Advisory Group
- Experience in the aquaculture industry (work or research experience)
- Experience working with and knowledge of government, NGOs, or private industry in the aquaculture industry and/or supply value chain

3.3. Competencies

- Strong communication and interpersonal skills
- Strong analytical ability and report writing skills
- Good understanding of transparency and governance issues
- Good understanding of the community issues around aquaculture farms
- Demonstrated cultural sensitivity and sound judgment
- Fluency in spoken and written English

4. Timelines, including expected time from Advisory Group

The ASC strives to work in a cost and time-efficient manner and has a preference for working primarily via e.g. teleconference and e-mail. Meeting schedules will be set to allow participation at reasonably convenient times and will aim for full participation. ASC will decide when the Advisory Group needs to meet in-person as the process progresses but under the current Covid-19 situation it is not likely feasible in the short-term.

4.1. Hours of Dedications

It is not expected that the Advisory Group will need to dedicate to this work more than an hour per week on average.

4.2. Start Date

The expected start-date for the Advisory Group is the beginning of April 2021, with targeted completion by December 2021.

4.3. Project timeline¹

| Step | Description | Timing |
|------------------------------------|---|-------------------------|
| 1 - Define intent/purpose/scope | Develop broad parameters for the working package and define the boundaries of what the assessment will cover, outlining the purpose and necessity of a risk-based approach in that specific topic area | January - February 2021 |
| 2 - Define risk factors | Using other lists of risks, feedback from farms and input from audit reports and other stakeholders, develop a list of risk factors (i.e. potential impacts) that a farm will need to assess themselves against | January - February 2021 |
| 3 - Assess the risks | Research and compile methods of assessing the risk for each risk factor, looking at resources that farms can engage with to be able to define their level of risk for each factor. Assign each level of risk a metric, so that a farm can easily measure their risks. | March 2021 |
| 4 - Implement appropriate measures | Develop a list of possible mitigation actions associated with each level of risk for each risk factor. This can range from 'no action needed' for a 'low risk' factor to a series of detailed mitigating actions that the farm must take for a 'high risk' factor. Build these mitigation actions into a time-bound action plan | April 2021 |

¹ The group is currently not convening.

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|-------------------------------------|---|-----------------|
| 5 - Monitoring | Develop a plan for ongoing monitoring of each risk, including awareness that it is possible for risk levels to change and that additional mitigation actions may be needed. Define timing and frequency of risk monitoring (will likely need to be mitigation action/impact specific) | May 2021 |
| TAG | Proposed RMF to be endorsed by the TAG for Public Consultation | July 2021 |
| 1 st Public Consultation | Proposed RMF to undergo Public Consultation | Sept - Oct 2021 |
| Assessment of feedback | Proposed RMF to be finalised after Public Consultation | Nov – Dec 2021 |
| TAG | Final RMF to be endorsed by the TAG for sign off by the Board | Jan 2022 |
| Board | RMF to be signed off by the Board | March 2022 |

5. Others

5.1 Expenses and Remuneration of the Advisory Group

Participation in the Advisory Group takes place on a voluntary non-paid basis. ASC covers reasonable travel and accommodation expenses related to the work of the Advisory Group upon submission of the respective invoices and receipts, and if expenses are agreed upon in advance.

5.2 Language

The working language of the Advisory Group is English.

5.3 Confidentiality and Conflict of Interest

- Advisory Group members shall sign a confidentiality and non-disclosure agreement with ASC at the beginning of their work.
- All documents prepared by or presented to the Advisory Group are assumed to be public unless identified otherwise by ASC and agreed by the Advisory Group.
- The Advisory Group operates according to Chatham House Rules so, members of the TWG are free to use the non-confidential information received but neither the identity nor the affiliation of the individual(s), nor that of any other participant, may be revealed.
- The default approach of the Advisory Group is that the non-attributable content of discussions and papers is not confidential unless so specified.
- Members are expected to declare any conflicts of interest, where they arise.

6. Terms and Definitions

For consistency and convenience, some of the terms in this procedure are adopted and/ or adapted from the ISEAL Standard Setting Code as well as the ISO/ IEC Guide 2:2004.

Consensus: General agreement, characterized by the absence of sustained opposition to substantial issues by any important stakeholder group.

NOTE: Consensus should be the result of a process seeking to take into account the views of interested parties, particularly those directly affected, and to reconcile any conflicting arguments. It need not imply unanimity.

7. Contact Information

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