



Consultation Document – Product Provenance and Key Data Elements (KDEs)

Consultation Dates: 1 – 30 September 2016

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FOR CONSULTATION

Key Points

- MSC proposes to introduce requirements to pass fisheries related information along the supply chain
- The proposed changes to reporting requirements are to capture information on: a) species, fishery and country of origin and b) suppliers of fish oil and fishmeal
- MSC seeks feedback on the objectives of the proposal, as well as on the methods proposed to collect and provide assurance on the accuracy of this information

1. Purpose of the consultation

This consultation seeks feedback from stakeholders on MSC's proposal to require certificate holders to pass on certain fishery of origin data through the supply chain.

Currently, Chain of Custody (CoC) holders are required to report their certified suppliers and species in scope, and MSC/ Aquaculture Stewardship Council (ASC) status on their invoices. CoC holders also often identify species on the invoice, by including the Latin and/or common names. MSC proposes to add the fishery (as defined on the [MSC website](#)), country of origin and product form information to the reporting requirements. As the proposal is still being explored, MSC seeks inputs from stakeholders on the direction of the objectives, feedback on options for collecting and passing this information through the supply chain, as well as volunteers to help develop the proposal over the coming months.

2. Background

The MSC CoC team seeks a solution to a set of four different, but related, requests for core fishery information to accompany certified product as it travels through the supply chain:

1. Requests from companies in the supply chain, in order to increase their value proposition, for sourcing information, including fishery of origin, gear type and catch area, as well as lists of suppliers that process and/or offer fish oil and fishmeal;
2. Increasing expectations from governments, NGOs and end-of-chain companies to pass on so-called KDEs (Key Data Elements) through the chain have raised the bar of best practice in traceability;
3. Requests to send only targeted information to certificate holders, e.g. on suspensions, requires information on sourced fisheries to be available to the MSC executive; and,
4. Increased desire for risk-based monitoring (MSC, brand owners, retailers), market research (different supply chain parties) and impact measurement (MSC) requires more information on source fisheries, catch area, gear and product form to be available.

In 2012, reporting on certain data elements, including fisheries of origin, were removed from the MSC certification requirements. The reasons behind that decision include the administrative burden of fulfilling the data requirements, as well as the questionable accuracy of the data provided. MSC has since investigated alternative ways, such as the [MSC Online Transaction Solution \(MOTS\)](#) project, to provide the desired traceability information. As a result of the feedback received in the course of the MOTS consultation, and taking account of the different interests in MSC supply chains, MSC is thinking about how to shape a longer-term initiative towards full digital batch traceability. Ahead of such a longer-term development, the current Product Provenance/KDE project provides a shorter-term solution to address the wishes and expectations of MSC supply chain stakeholders for more detailed fisheries origin information.

44 The 2012 removal of these data requirements preceded growing industry trends towards more transparent
 45 and higher quality traceability data reporting. Consumers are increasingly interested in where their seafood
 46 comes from and how it is caught. This relates to wishes to specifically include or exclude certain provenance
 47 regions. To accommodate this demand, retailers and brand owners have been investing in platforms and
 48 product tracking websites to collect provenance information from suppliers, and MSC has been approached
 49 to support in this endeavour. MSC has also seen an increase in requests from supply chain companies to
 50 provide lists of suppliers of certified fish oil and fishmeal, as a result of the growing interest for certified supply
 51 of these type of products. One of the objectives of this project is to add value for MSC supply chain companies
 52 by providing a means for them to meet these end-of-chain demands.

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 54 In addition, there have been recent changes in regulations which have increased the information/labelling
 55 requirements that must be provided to consumers. For example, in December 2014, new EU Fish Labelling
 56 legislation has come into force, which sets mandatory and voluntary levels for informing consumers. Updates
 57 to the US Magnuson-Stevens Fishery Conservation and Management Act are expected to be released
 58 shortly. These regulations are accompanied by a specific list of fishery origin reporting requirements when
 59 importing seafood into the US. MSC is actively participating in the consultation process, including the
 60 recognition of third-party certification through a Trusted Trader program. Such a designation would recognise
 61 the rigorous traceability requirements in place in the CoC Standard, while aligning MSC requirements with
 62 these regulations will increase efficiencies for certificate holders that also need to adhere to these
 63 requirements.

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 65 Bullets 3 and 4 above have a more internal focus, but come up increasingly as key factors. Better information
 66 on which fisheries companies source from, helps to filter the information that is communicated to them. For
 67 example, in case of fisheries suspensions, communications can be filtered to reach only the affected clients.
 68 More information on product origin at every step in the chain would also support better supply chain mapping
 69 for more data-driven program updates.

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 71 Across the board, governments and international initiatives are pushing forward efforts to better define and
 72 align data requirements, and data sharing, through consistent formatting. MSC adds value to these
 73 partnerships and its certificate holders by providing expert advice, and ensuring alignment between any
 74 proposed plans and the MSC CoC Standard. This allows MSC to retain its best-in-class traceability program
 75 while ensuring any proposals are feasible and justifiable for MSC supply chain organisations. MSC would
 76 like to use this consultation to address any open questions, both as identified in this paper (as in Section 4.
 77 Considerations) and as raised by MSC stakeholders, on the direction of this proposal.

78 79 3. Options

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 81 Based on initial research and feedback received, we have prioritised the following areas for updates in the
 82 2017 CoC Program Review.

83 84 **Certified product information to be passed on, at batch level, through the supply chain, to include:**

- 85 • Provenance
 - 86 ○ MSC Fishery of origin
 - 87 ○ Species
 - 88 ○ Country of origin
- 89 *More information could be added in the longer term (see [Annex 2](#))*
- 90 • Product form – limited to two categories:
 - 91 ○ fish meal and
 - 92 ○ fish oil

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Key Data Elements	Proposed changes	Impact on MSC scheme document(s)
Provenance	<u>Current:</u> Certificate holders required to confirm certified status of supplier and the supplier's approved scope for species, using MSC's Supplier Directory. Species are often specified on the invoice.	CoC Standard: Companies required to request/provide provenance information from/to suppliers/buyers CoC Certification Requirements: Companies update CABs during

	<p><u>Proposed:</u> Certificate holders to pass information on the specie(s), fishery of origin and country of origin on a batch level for each species handled through the supply chain. This information could be noted on the invoice using a 3-4 character fishery ID code (<i>in development</i>) either against the line item or as a footnote. If this is not possible, then assurance of the accuracy of the claim must be provided with a, still to be determined, method (e.g. catch certificate).</p> <p>Source fisheries will be included in the supplier list of the audit checklist and updated (annually) at the audit.</p>	<p>audits about their suppliers and the fisheries they source from (and more frequently if desired); CABs required to check accuracy of claims by conducting tracebacks,</p> <p>Fisheries Certification Requirements: Fisheries may be required to provide documentation, such as a catch certificate to buyer(s) (<i>Tentative</i>)</p>
Product form (focus on fish oil and fish meal)	<p><u>Current:</u> Certificate holders report product form only for ecolabelled products as part of the Turnover declaration.</p> <p><u>Proposed:</u> Introduce new Scope activities for 'Fish oil' and 'Fishmeal'. Reporting will be in line with current CoC requirements on Reporting Changes – certificate holders must receive written approval from their certifier before adding a new activity (CoC Standard 5.2.2.1).</p>	CoC Certification Requirements: Update to Table 5: Activity scope definitions to include fish oil and fishmeal product forms

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96 *Longer-term:* As mentioned, this project is part of a longer-term strategy towards full batch traceability. Thus,
97 MSC may expand the fisheries information that is collected by CoC certificate holders. Please see [Annex 2](#)
98 for more details on the types of information MSC would like to collect and the methods in which it could be
99 collected and stored.

100 101 **4. Considerations**

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103 Drafting of the proposal is ongoing and more work is needed to define the details and assess its feasibility.
104 Some of the key open questions are:

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106 1) Did MSC select the correct set of Key Data Elements as first priority?
107 a. Are there any KDEs that should be deprioritised?
108 b. Are there any KDEs that should be prioritised for longer-term consideration?
109 2) Definitions of the required information
110 a. Is it feasible for MSC supply chain partners to include the use of an automated 3-4 character
111 MSC Fishery code/ ASC Farm code – *currently in development* - on the invoice, a footnote,
112 or in another location? What is the most appropriate place to record this information?
113 b. Are the definitions and information in this proposal (e.g. of Country of Origin) aligned with
114 external reporting requirements?
115 3) How should information be passed on through the supply chain in a consistent manner and format?
116 a. Is adding this information to the line item of the invoice or footnote feasible?
117 b. How will this reporting work for products with mixed sources?
118 c. Could reporting on the invoice be replaced by accompanying documentation, such as catch
119 certificates or other?
120 4) How should information be verified?
121 a. Will the above solutions provide sufficient assurance (e.g., documented proof) for auditors
122 of the accuracy of the information?
123 b. How can we align with other reporting requirements, either by providing recognised
124 assurance, or by leveraging on assurance provided by others?
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126 Feedback received during this consultation period will be used to finalise the scope and details of the
127 proposal.
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129 5. Potential interactions with other work

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131 This project has varying degrees of overlap with several ongoing CoC projects including Digital/Electronic
132 Traceability, IUU, and [Traceability at the Fishery](#).
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134 6. Next Steps

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136 In parallel to this consultation, the following events are being organised. Additional workshops and external
137 engagement opportunities may be organised, as needed, through 2017.
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Event	Purpose	Date of event
Meetings/calls/webinars	Individual and group calls to be organised with interested participants to provide more detailed feedback on the proposal beyond the consultation	September 2016
Certifier workshop	Discuss proposal and preliminary outcomes of consultation	28-29 September 2016
Stakeholder workshop	Discuss consultation feedback and updated proposal	Mid-October 2016 (TBC)
MSC Technical Advisory Board (TAB) meeting	Technical feedback on the final proposal	29-30 November 2016
MSC Board sign-off	Final sign-off of proposal	December 2016/January 2017
Second consultation	Feedback on intent of proposal for update to MSC scheme documents	March 2017
Final consultation	Consultation on wording of update to requirements	August/September 2017
Release of updated MSC CoC scheme documents	Release of updated CoC Certification Requirements and Standard	Early 2018

139 7. Who can comment? How do I give feedback?

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141 This consultation is public and open to all interested parties.
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143 MSC is especially interested to hear from:

- 144 • Brand owners and retailers that currently sell products with fishery of origin information
- 145 • Suppliers that sell to brand owners/retailers that are required to provide this information
- 146 • Other interested brand owners and retailers
- 147 • Processors from different regions and different sized operations. Specifically those with the
- 148 following species/groups in scope: Atlantic cod, Pacific cod, red snapper, shrimp/prawns,
- 149 swordfish, albacore-, bigeye-, skipjack- and yellowfin tunas
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153 The [feedback survey](#) (see [Annex 1 for the list of questions](#)) allows you to respond to specific questions on
154 this topic. We also welcome any more detailed comments that you wish to make on this consultation, which
155 can be emailed directly to Leah Buckley leah.buckley@msc.org.
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163 **Annex 1: Consultation Survey**

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165 [Link to Survey Monkey](#)

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167 1. Why is this project important or helpful for you and/or your organisation?
168 a. Consumer demand
169 b. New legislation affecting your business activities (i.e. EU labelling requirements, US anti-IUU
170 legislation)
171 c. Supply chain transparency
172 d. This information is not important or helpful to me
173 e. This information is not relevant to me or my organisation
174 f. Other _____
- 175 2. Does the proposal deliver what you would like to see with this project? Please explain
- 176 3. Do you support the categories proposed for this phase of the project?
177 a. Fishery of origin
178 b. Country of origin
179 c. Species (by fishery)
180 d. Product form – fish oil
181 e. Product form – fishmeal
182 f. If there are any categories not included in the above list but that you consider a priority, please
183 list them along with the reason for prioritisation
- 184 4. Do you agree with MSC's longer-term proposal (post-2017) for additional data collection?
185 a. Gear type
186 b. Vessel name
187 c. Catch area
188 d. Catch date
- 189 5. Are you interested and able to contribute further to MSC's development of this proposal:
190 a. Definition of categories and scope of project
191 b. Verification needs and mechanisms
192 c. Other (please specify)
- 193 6. In what format would you be interested or available to participate?
194 a. Individual phone call
195 b. Group call or webinar
196 c. Face-to-face meeting
197 d. Face-to-face workshop
198 e. Email
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219**Annex 2: Long-term ambitions for CoC Scope**

	Information passed on to buyer	Information collected and updated at annual audit	Information to be publically available (on Supplier Directory)
Current			
MSC/ASC status by batch	✓	✓	✓
Species in scope	Buyer responsibility to confirm	Update when any change	✓
2017 CoC Program Review changes			
Species by batch	✓	✓	✓
Fishery of origin by batch	✓	✓	✓
Country of origin by batch	✓	✓ (TBC)	
Longer-term (beyond 2017)			
Gear type by batch	✓	✓	✓
Vessel name by batch	✓	✓	No
Catch area by batch	✓	✓	No
Catch date by batch	✓	✓	No

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