

Greenpeace and Thai Union Group

Summary of Agreement

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Executive Summary / Key Issues

The ocean's ecosystems are in jeopardy as overfishing, along with climate change, cause biodiversity loss. The global seafood industry needs to pursue solutions to counteract the issues that fuel overfishing and threaten the livelihoods of millions of ocean-dependent people.

The tuna sector is no exception. Its transformation could serve as a model for a path towards more sustainable and socially responsible seafood supply chains. As the largest tuna company in the world, Thai Union is uniquely positioned to help drive the industry in the right direction and work with its supply chains to find solutions.

Presented below is an agreement between Thai Union and Greenpeace that seeks to drive positive change within the industry by addressing four overarching issue areas (fish aggregating devices [FADs], longlines, transshipment, labour) that have been identified as drivers of one or more of the problems outlined below.

Despite positive initiatives in some corners of the industry, the sustainable harvest of tuna stocks has failed for various reasons. The capacity of tuna fleets continues to grow beyond tuna stocks' ability to maintain sustainable levels. This includes the increased efficiency in the purse seine and longline fleets due to a powerful combination of technological advances, the overuse of FADs, practices like transshipment that allow vessels to catch fish further afield and for extended periods, and the construction of large, factory vessels driving overcapacity across the industry. This is compounded by illegal, unreported and unregulated (IUU) fishing that undermines fisheries management and enforcement efforts, as fleets could potentially exceed allowable catches and taint supply chains with laundered fish. A lack of monitoring, control and surveillance make policing all of the vessels difficult, while inadequate procurement policies and supplier requirements have allowed supply chains to bend or break rules, and sometimes go unpunished. Tuna species are among the most overfished predatory fish, and non-target species that are incidentally, or intentionally, caught as a result of indiscriminate fishing methods have also suffered declines. Threatened and vulnerable sharks, turtles, seabirds and other species are caught and often killed in tuna fisheries.

The nature of the tuna sector and certain specific practices also create the conditions for mistreatment, and even severe human rights violations, of workers at sea. Unfair treatment, particularly of migrant workers, and even human trafficking, have been well documented in respected international media. Safe and legal labour environments need to be provided and guaranteed among tuna vessels. Currently, not enough is being done to ensure the fair and ethical treatment of the people who catch, process and bring tuna to supermarket shelves.

Through this agreement, Thai Union has made significant and far-reaching commitments that aim to support current best practice fisheries, improve other fisheries, reduce illegal and unethical practices from global supply chains, and bring more responsibly-caught tuna to key markets. This package of reforms position the company well to help build the necessary momentum towards a more sustainable, socially responsible and transparent industry. The agreement is not a silver bullet that eliminates the tuna sector's ecological and social footprint, but it presents an opportunity to begin to change the way tuna is caught and brought to market to help safeguard the future of impacted species and people.

The implementation of Thai Union's commitments represents a significant new workload for Thai Union that will require approximately five additional staff and cost around US\$750,000 in implementation per year. At the end of 2018, an independent third-party will review progress to-date on the commitments made in the agreement. Greenpeace supports the initiatives detailed in the agreement and will closely follow its progress and implementation.

The actions detailed in this agreement will only be successful with the full cooperation of Thai Union's suppliers and partners. Industry players from sea to market must join Thai Union and other progressive, leading companies to drive change and work towards solutions that will result in positive impacts on the water. Greenpeace and Thai Union challenge other important players to reflect on the details of this agreement and begin their own process of improvement and change.



LABOUR - Greenpeace and Thai Union agree that labour and human rights abuses have no place in the seafood supply chain and should be eliminated as soon as possible.

The problem and our shared interest in resolving it

Greenpeace and Thai Union share an understanding that the problem of labour and human rights violations in global tuna supply chains include, but are not limited to, the following:

- Forced labour and human rights abuses in the extended seafood supply chain, especially in commercial fleets that stay out at sea for extended periods of time.
- The lack of fair remuneration and decent working conditions for workers in the fishing sector.
- The absence of collective bargaining rights and freedom of association, especially for migrant workers in the fishing sector.
- The lack of contracts in a language that the workers can understand.
- The method of recruitment for workers on fishing boats through brokers that perpetuate labour and human rights abuse.

Our agreements to date

- **Vessel code of conduct** - Thai Union commits to create a vessel code of conduct with an accompanying auditable standard across its global supply chain by January 2018.

- Audits will be conducted on an ongoing basis by a reputable third party with a proven track record of delivering comprehensive and respected social audit reports. The audit program will be initiated by 2018 in line with Thai Union's SeaChange program, and continue beyond as part of continuous improvement. The Vessel Code of Conduct will be communicated to all vessel suppliers in 2018, with the notification that they can expect to be audited against this Code at any point.
- **Support for organizing rights and collective bargaining** - Thai Union reaffirms its commitment to supporting freedom of association and collective bargaining in its own facilities and throughout its global supply chains.
- **Electronic Catch Data and Traceability (eCDT)** -Thai Union commits to expand scalable platforms for electronic Catch Data and Traceability (eCDT) systems that includes worker voice at sea to vessels throughout its global supply chain.
 - In 2017, Thai Union will run 2 pilot programs to test scalable platforms for electronic Catch Data and Traceability (eCDT) systems that utilize mobile applications and satellite connectivity to promote worker voice at sea and demonstrate fair labour compliance in Thai fisheries. The results of the trial will be made publicly available by the end of 2017.
 - Thai Union commits to trials of eCDT on longline vessels in selected fleets in 2018, as part of ongoing fishery improvement projects (FIPs).
 - Greenpeace and Thai Union agree that progress will be shared and reviews made on a six-month basis as part of our agreement review process. This will include a re-evaluation of technological advancements to accelerate full adoption across Thai Union's global supply chain.
 - Details of strategy, learning and evaluation will be shared under the agreement review process, with a public communication on the SeaChange website every six months.
- **Audits and transparency** - Commitment to robust third party auditing plan and schedule for the labour commitments described herein.
 - Thai Union will research and address labour abuse at sea issues through its social audit program, with a focus on forced labour, transshipment, existing mechanisms for promoting worker voice, recruitment and contracts. Findings from these audits will be built into performance improvement programs within Thai Union supply chains and where possible across the industry. Generalized results of the audits will be shared publicly on an annual basis to promote transparency and industry collaboration.
 - Thai Union reaffirms its commitment to address labour issues in its own facilities that are audited to international standards by third parties and its program to certify all of Thai Union owned factories to BSCI standard by 2020. BSCI is a globally recognized standard for social audits. Evidence of compliance with the audits will be the certification of the factories.

- **Ethical recruitment** - Commitment to signal Thai Union's support for its current policy on zero recruitment fees in Thailand to be expanded across its global supply chain and the seafood industry more broadly.
 - Thai Union will ensure that no recruitment fee language is in contracts for those it employs and will encourage its suppliers within 6 months of finalizing this agreement.
 - Thai Union will require suppliers to provide information on how they are recruiting workers as part of the social audit program.
 - Within 6 months of finalizing this agreement, Thai Union will add language to the English version of the Business Ethics and Labour Code of Conduct to reflect the points above and to apply to the whole supply chain. Translation into relevant languages to follow.



LOONGLINING - Thai Union and Greenpeace agree that longline fishing presents a risk for the incidental catch of non-target species, and current practices increase risk for illegal practices such as IUU fishing and human rights abuses.

The problem and our shared interest in resolving it

- The indiscriminate nature of longline fishing leads to the incidental, and sometimes intentional, catch of other non-target species and has contributed to pressure on threatened species of sharks, seabirds and sea turtles.
- The majority of current longline fisheries lack adequate monitoring, control and surveillance, and in high seas fisheries, unreported catch under-reporting and illegal activities including but not limited to shark-finning occur.
- Lack of oversight and practices associated with longline fishing, such as transshipment at sea, enable the conditions for these illegal practices, as well as labour and human rights abuses.

Our agreements to date

- **Support of pole & line and best practice fishing by transitioning a portion of longline-caught product** - This will be prioritised for utilization in the North American market.

- **Bycatch mitigation best practice implementation plan** – Thai Union will work to employ best practice mitigation measures across all longline vessels it sources from. Thai Union’s bycatch mitigation best practice implementation plan will be drafted by the end of September 2017 and contain clear milestones and overall timeline estimates. Greenpeace will be provided an advanced draft to provide feedback and agree to next steps. By the beginning of 2018, Thai Union will ensure RFMO requirements on seabirds are being met in the WCPO, and communicate and begin implementation of the best practice mitigation plan with suppliers.
- **Improving bycatch data sharing** – Thai Union recognizes that bycatch data availability and sharing is weak within the longline sector and will work with the fleets it sources from to share raw bycatch data with relevant RFMO scientific bodies, and work with scientists to ensure best practice data collection is taking place.
- **Increasing human and electronic observer coverage** – Thai Union will employ 100% observer coverage (human and electronic) on the longline vessels it sources from by 2020. Thai Union is engaging with some of its key longline suppliers to trial the ability to increase the use of both human observers and e-observers with the intent to ensure 5% human coverage across fleets sourced from is met and to increase human observer coverage across vessels in Thai Union’s supply chain.



TRANSHIPMENT AT SEA – Thai Union and Greenpeace agree that transshipment presents a high risk point within the tuna supply chain, particularly for IUU fishing and labour abuses.

The problem and our shared interest in resolving it

- Transshipment presents a high risk point within tuna supply chains, particularly for IUU fishing and labour abuse, allowing vessels to remain at sea for years without adequate regulatory oversight.

Our agreements to date

- Thai Union agrees to extend its moratorium on transshipment at sea across its entire tuna longline supply chains unless suppliers meet a strict set of conditions to ensure the critical issues surrounding the practice are addressed to its satisfaction, and immediately start working with its suppliers to implement this strict set of standards.
- **At-sea transshipment conditions:**
 - **Observer coverage** - Thai Union will only source tuna from longline vessels that have human observers for both vessels transshipping at sea to ensure compliance with Thai Union's labour codes of conduct. The human observer program will begin rollout in 2018. To further reduce the risk of IUU fishing and practices like shark finning, Thai Union will expand its observer program by the end of 2020, and work with suppliers to help ensure human observers address both environmental

and social issues associated with at-sea transshipment in the longline sector.

- **Limits on time at sea** - To reduce the risks associated with extended periods of time at sea, Thai Union agrees to only source from vessels that spend a maximum of 9-months at sea before returning to port and allowing crew to access port services.
- **MCS/Transparency** – Thai Union agrees to require that any vessel authorized to transship at sea should have mandatory AIS or equivalent technology.
- **Enforcement and non-compliance** - Any non-compliance by suppliers found through the social audit program will be addressed through a performance improvement program. For critical issues, such as forced labour, issues will require immediate resolution. For other issues an agreed program of performance improvement and a timeline will be agreed with the supplier. Any suppliers unwilling or unable to meet the Thai Union standards will be suspended for a minimum of one year.
- **Port inspections/PSMA** – Thai Union recognizes the importance of the PSMA but also the challenges that some countries face to effectively implement its provisions, especially poorer coastal State nations. However, it strongly believes that the benefits greatly outweigh the costs, particularly given the well documented impacts and economic cost of IUU fishing to developing coastal States. Thai Union therefore encourages countries to ratify the agreement and put in place the means to implement it. Ultimately Thai Union's aim will be to only source fish transiting through ports belonging to countries that are fully implementing the PSMA.
- **Data collection/traceability** – Thai Union is committed to full digital traceability, from catch to consumption. Traceability is the backbone of sustainability and responsible sourcing. E-logbooks and e-CDT are the future of digital traceability and Thai Union will support trials and regulator commitment to moving from paper based to electronic systems.
- **IMO Numbers** - Thai Union will require that all vessels it sources from that are capable of receiving an IMO number obtain one, and all other vessels will be required to have a UVI or equivalent registration number.
- **Observer recruitment** - Thai Union will preferentially source from vessels employing regional observers, and where regional observers are not available, will employ national or independent third party observers.
- **Transport vessels/Reefers audits** - Thai Union will implement an audit scheme for carriers transshipping at-sea, starting in 2018 (Note: this requirement will not apply to vessels that transship in port).



FADs - Greenpeace and Thai Union agree that the sustainable management of tuna stocks requires management and reduction of FADs in each fishery.

The problem and our shared interest in resolving it

- **Thai Union agrees with Greenpeace that the overuse of FADs leads to overfishing and ocean pollution** as waste FADs remain uncollected. As such, Thai Union is committed to working together with the fleets from which it sources to reduce the number of FADs deployed in tuna fisheries with the overall objective of the sustainable management of the tuna stock status in fisheries from which it sources.

Our agreements to date

- **FAD reduction plan and increase of verified FAD-free supply** - Thai Union commits to reduce the number of fish aggregating devices (FADs) used globally in its supply chains by an average of 50% by 2020, while doubling the amount of verifiable FAD-free fish available in markets globally in the same period.
- **Agreement to only deploy non-entangling FADs from large seiners** - By 30/06/2017, all large scale purse seiner vessels must have a policy to deploy non-entangling FADs, with the aim to only deploy non-entangling FADS by 31/03/2018.

- **Exclusive use of non-entangling and biodegradable FADs** - By 31/12/2020 *all* vessels Thai Union purchases from will deploy only non-entangling FADs. Thai Union commits to move the fleets from which it sources towards fully biodegradable FADs, and to be an early adopter of scientifically proven fully biodegradable FAD materials/technologies (excepting the buoy).
- **Addressing Supply Vessels** - Thai Union supports the IOTC's initiative to address the subject of supply vessels as it relates to overcapacity and overfishing. It encourages other RFMOs to develop a scientific basis for decisions on the impact of supply vessels on fish stocks, and appropriate regulation. Thai Union commits to asking all of its supplying fleets to immediately begin providing accurate data to the relevant RFMO on their current use of supply vessels and call on RFMOs to expedite analysis on the impact of supply vessels on capacity in the Indian Ocean and Pacific.
- **FAD management plans in FIPs** - For each tuna FIP in which Thai Union is active where FADs are utilised, a FAD management plan will be developed which will include better regulation by coastal states and RFMOs, and mapping of the number of FADs deployed to measure reduction progress.
- **Transparency of FAD use data** – Thai Union recognises the value of reliable and accessible data on FAD use in improving, understanding and managing the impacts of FADs. As such, Thai Union will ask and expect *all* of the fleets / purse seiners it sources from to share their data on FADs with RFMO Scientific Committees within 4 months of the end of the fishing trip. Thai Union will ask and expect all of the fleets it sources from to share data in this way and will be clear with them that it sees this becoming a required standard for the company. Thai Union will urge all of the RFMOs to step up their ability to receive and utilise such data in the management of FADs.
- **Information for Consumers** -Thai Union will provide more details on FAD free tuna on its can tracker websites to improve the ability of consumers to understand the products they are buying.
- **RFMO Regulations on FADs** – Thai Union agrees to maintain its own targets while they are stronger, but publicly support any RFMO action plans that attempt to further reduce the use of FADs.