

**QUALITY AND CONSISTENCY PROJECT UPDATE
PHASE 2**

**Marine Stewardship Council
6-20 Elizabeth Street
London SW1W 9RB
UK**

**MSC Executive
January 2008**

Quality and Consistency Project Overview

The MSC's *Principles and Criteria for Sustainable Fishing* (otherwise known as the MSC Standard, or Ps and Cs) have been drafted to allow independent certifiers the flexibility to adapt them to a wide variety of different fishery circumstances, by developing performance indicators and scoring guideposts (PISGs) for each fishery under assessment. The experience of over 40 MSC fishery assessment showed that this approach provides opportunity for variability in the interpretation and application of the MSC Standard to fisheries. Such variability can lead to credibility issues for the certification program and create undesired commercial outcomes if different fisheries are held to inherently different performance requirements.

In recognition of this, in late 2005 the MSC initiated the Quality and Consistency project. Some specific objectives and benefits of this work are to:

- Improve the common understanding by stakeholders of how fisheries will be assessed against the MSC standard by simplifying the assessment structure and making it more transparent
- Minimise variability in the way the standard is applied to ensure all fisheries are assessed in a similar and equitable manner
- Increase future certainty about reassessment for currently certified fisheries; and
- Improve robustness and credibility of fishery assessments by providing greater agreement on required performance.

It is important to emphasise that the project is not an effort to review and revise the *Principles and Criteria* themselves, but to make their interpretation and application more consistent, while ensuring quality assessment work. As the project name emphasises, a central aim is consistency, so the project seeks to ensure that the performance levels assessed by certifiers will have less scope for interpretation and variability than has been seen in past MSC certifications. In developing the tools to achieve this, the project also aims to create a streamlined and more efficient assessment process, while maintaining the integrity of our third party approach.

The MSC Board has provided a clear policy intent that the aim of the project is not to intentionally raise or lower the 'performance bar' reflected in fishery assessments. This intent has been a central consideration to all the work completed to date and a thorough analysis of the implications will be conducted of any draft outputs to ensure consistency with this Board policy.

Basic Q&C Project Approach

The initial design of the project was divided into two phases. Phase 1 sought to clarify the basic intent of each of MSC's Criteria to address questions or variability in certifiers' application of the standard to date. Phase 2 of the project (which is further elaborated in

this document) seeks to develop a standard assessment tree (a default or model set of performance indicators and scoring guideposts, or PISGs) for certifiers to use as a starting point for future fishery assessments.

Progress on Developing a 'Standard Assessment Tree' (Phase 2)

Between February and April 2007 MSC focused significant attention on developing a draft assessment tree *structure* that would be simpler than those previously used in MSC assessments. Review of assessments trees to date has indicated a number of areas needing improvement. For instance, assessment trees typically have indicators that ask very specific questions about the types of information that might be available, while others ask fundamental questions about performance outcomes. While weighting can help address these inherent differences, the relative importance of indicators can sometimes present difficulties with respect to conditions that can be raised for individual indicators and their relative priority for addressing performance uncertainties in a fishery. In addition an indicator in one area of an assessment tree might look more like a performance attribute within an indicator for a different Principle or Criterion. As a result it is sometimes difficult to actually find where a specific performance topic is being addressed in an assessment tree. Further there can be variable numbers of performance indicators (from 40 to 100) across different assessment trees (with an increasing trend) as well as variable clarity as to how they should be scored by the expert assessment team.

Initial work completed by the MSC Executive to develop a standardised and simplified fishery assessment tree was reviewed at a small work session in Sydney in late April 2007. The result was a conceptualised model for a new *draft* assessment tree structure. This work was further developed in small work groups in July and November that drafted some preliminary performance indicators and scoring guideposts to fill out the assessment tree structure.

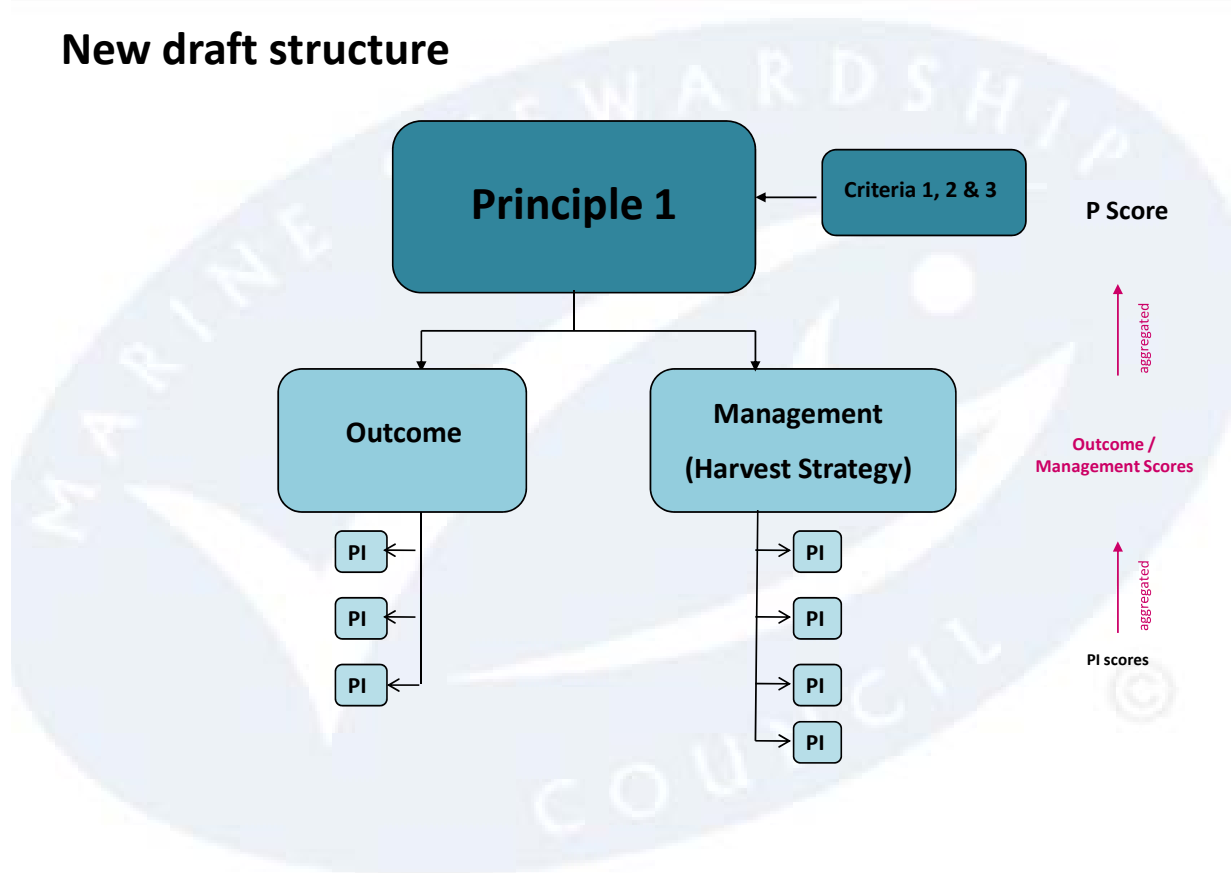
The major difference of this structure from past practice is to organise the performance indicators under Principles 1 and 2 into 'Outcome' and 'Management (Harvest Strategy)' groupings below topical categories, rather than using the MSC Criteria as headings within the structure. The indicators to be developed under this structure will still address all topics within the MSC Criteria but the revised structure provides a simpler organisation of performance indicators and allows consolidation of some performance areas that address concepts in more than one Criterion.

This structure improves simplicity, understanding and clarity. In addition, it creates the opportunity to reduce (by restructuring and consolidation) the number of individual performance indicators from the current average of ~70 to around 30 in the new structure.

The assessment tree structure

Principle 1

New draft structure

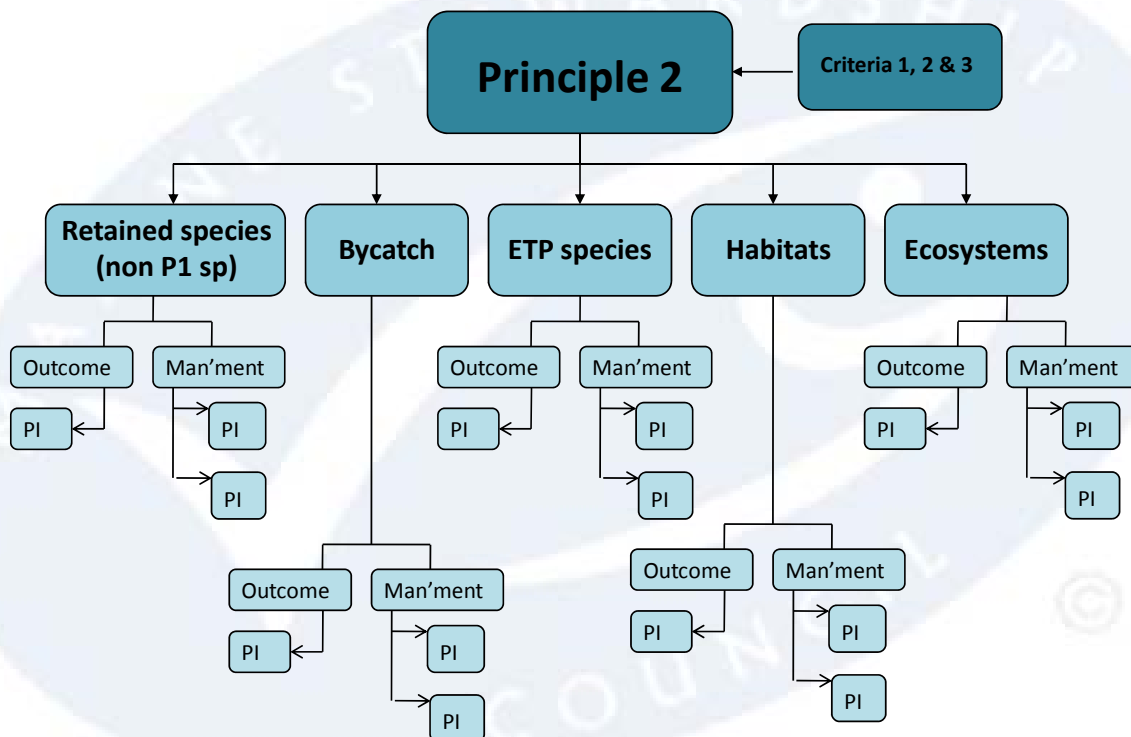


The Principle 1 structure is broken into two key categories of performance indicators (PIs): 'Outcome' and 'Management'. 'Outcome' PIs consider the impact of the fishery on the target species, and particularly whether the species/stock is at sustainable levels. 'Management (harvest strategy)' PIs look at whether a management strategy is in place to ensure that harvest of the target species is maintained within sustainable levels. PIs under 'Management' in Principle 1 should consider the tools, measures or strategies that are being used specifically to manage the impact of the fishery on the target species. This differs from the considerations under Principle 3 where the overlying management system for the entire fishery and its operations are considered. There is a conscious effort to ensure that the management PIs under Principle 1, do not duplicate considerations in Principle 3. The separation of these elements will become more evident as the detail of the PIs under the respective Principles is further developed.

The default position is that the outcome and management categories are of equal importance to the performance of a fishery under Principle 1. This would mean that the default intent is to equally weight these categories in the scoring process.

Principle 2

New draft structure



In the context of this draft assessment tree structure, Principle 2 considerations have been categorized into 5 components; which are considered to cover the range of potential ecosystem elements that may be impacted by a fishery. The components above are currently defined as:

- **Retained species:** Both target species (that are not considered under Principle 1) and by-product (species that are retained because they are commercially valuable but are not targeted).
- **Bycatch:** Organisms that have been taken incidentally and are not retained (i.e. discards), and unobserved mortality.
- **ETP species:** Endangered, threatened or protected species that are recognised by legislation in the fishery's jurisdiction, or listed under international agreements (e.g., CITES) or on lists recognised at intergovernmental level (e.g. IUCN red lists).
- **Habitats:** The habitats within which the fishery operates.
- **Ecosystem:** Broader ecosystem elements such as trophic structure and function, community composition, and biodiversity.

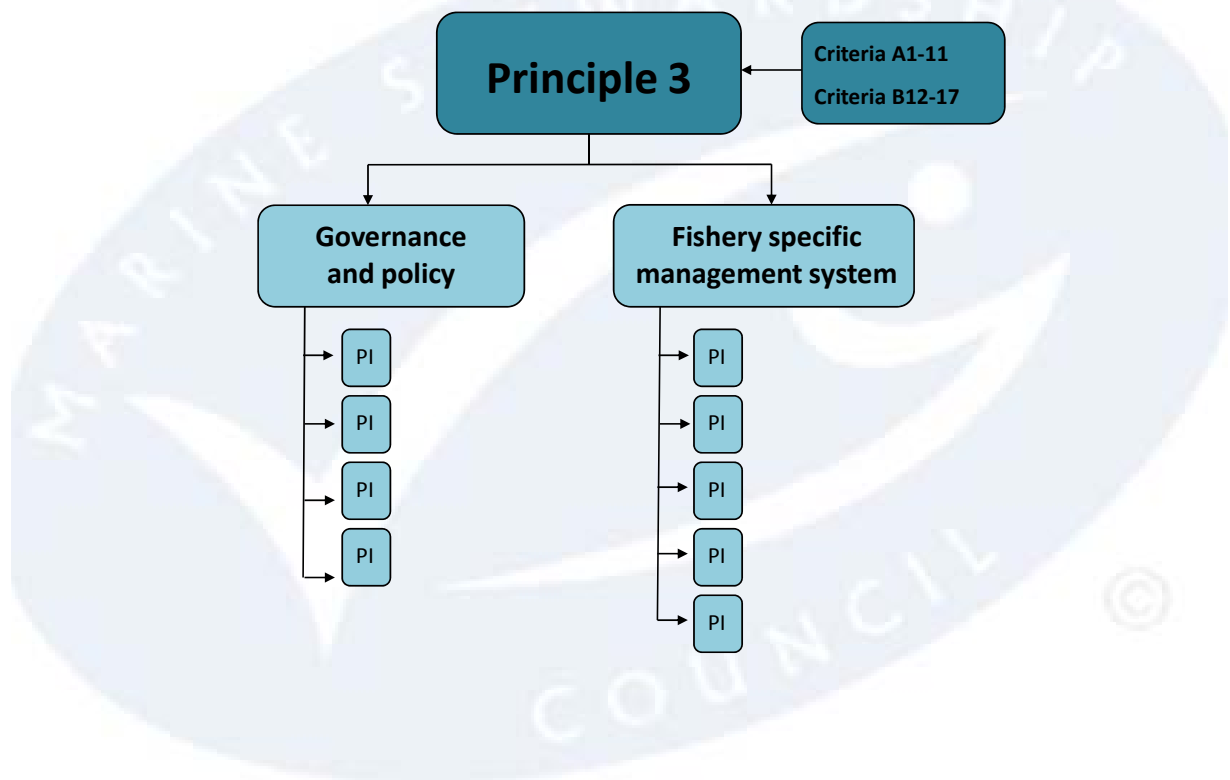
The separation of these components will enable future assessments to focus clearly on the different objectives and expectations of management, and the different strategies used to

manage a fishery's impact. To minimize the possibility of duplicate scoring, it is intended that P2 species should only be considered within one of the Retained species, Bycatch or ETP species categories. The certifier would thus determine at the beginning of an assessment within which of these components any P2 species would be considered. For example, when considering a seabird species taken as bycatch that is recognized as threatened under the relevant national legislation, the certifier would decide that the species is primarily managed as an ETP species and therefore it would only be considered when scoring the 'ETP species' PIs, and not in the scoring of 'bycatch' PIs. However, the wider ecosystem impacts of, for instance, retained catch removals would be considered under the ecosystem component.

Similar to Principle 1, the management PIs within Principle 2 should only consider those management tools, measures or strategies that are being used to manage the impact the fishery is having on the P2 component specifically. Broader management considerations are captured in Principle 3.

Principle 3

New draft structure



The Principle 3 draft structure, does not separate PIs into ‘Management’ and ‘Outcome’ categories, it instead breaks the PIs up into two categories:

- ‘Governance and policy’: captures the broad, high-level context of the fishery management system within which the fishery under assessment sits. For example, performance elements within this category include the legal and/or customary framework of the fishery, consultation processes and policies, roles and responsibilities of people and organisations, and overarching policies supporting management.
- ‘Fishery specific management system’: focuses on the management system directly applied to the fishery undergoing assessment. PIs under this category would, for example, consider elements such as fishery-specific management objectives, decision-making processes, research planning, and monitoring and evaluation of management.

Further work on drafting a default set of performance indicators and scoring guideposts

Based on further work by the MSC Executive, small work groups were convened, in July and November 2007, to draft a default set of performance indicators and scoring guideposts for each of the 3 MSC Principles. Initial work has produced a structure that contains a total of 31 PIs, constituting a significant reduction from the 40-100 PIs evident in current assessment trees. The draft PIs are applicable across a broad range of fisheries, and in practice should not need significant variation for application to any fishery under assessment against the MSC Standard. In addition both the structure and the content of the PISGs is closely aligned with the new MSC trial methodology for small scale and data-deficient fisheries (the GASS/DD methodology). Of most importance however, is that a default set of PISGs means that every fishery entering the MSC process, will know the baseline against which it will be assessed.

The drafting work appears promising however considerable evaluation and continued consultation needs to be undertaken on the draft products to ensure that the 'performance bar' has not been altered and that they: reduce duplication and complexity; cover all important performance elements in the MSC Principles & Criteria; and, that they reflect the current MSC Standard as represented in current fishery assessment trees.

As this project moves forward, simultaneous to the drafting of the new assessment tree will be the development of significant guidance on the implementation of these products by certifiers in assessments against the MSC Standard. This guidance will include mechanical considerations, such as how to score and weight the new structure and PIs, and interpretational guidance, including a comprehensive glossary of terms. This guidance will accompany the draft PISGs in public consultation documents and opportunities.

Finally, it should be emphasised that the work of drafting a standard assessment tree is just that, i.e. drafting. The Q&C process is to provide guidance and options, with policy decisions being made by the MSC Board in 2008.

Consultation and feedback

An important ongoing component of this project is ensuring that all stakeholders have an opportunity to provide input to the drafting process. Over the next 3-6 months, MSC will be undertaking both targeted meetings with a broad range of stakeholders, in addition to conducting broad public consultation opportunities, in order to inform the production of a robust assessment tree and associated guidance. Please watch the MSC website for opportunities or contact the MSC office to register your interest.

The MSC welcomes feedback on the outline provided and comments should be addressed to Dan Hoggarth, Fisheries Director.