



Seafood for future generations

The MSC Annual Report 2017 - 18

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Our ocean is in trouble. We urgently need to scale workable solutions to deliver sustainable fisheries and resilient marine ecosystems. The attainment of SDG14's targets is essential to the ocean's future well-being. I welcome MSC's latest initiative to engage with and help fisheries in the global south, and to invest in new scientific research that could benefit many fisheries around the world.

Peter Thomson, the UN Secretary General's Special Envoy for the Ocean and Co-Chair of the Friends of Ocean Action

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A message from our Chief Executive



Last year, millions of people marvelled at the wonders of the BBC's Blue Planet – and the ocean was on the political agenda like never before.

The first ever UN Ocean Conference took place in June 2017, bringing together more than 4,000 participants and drawing over 1,400 commitments from governments, business and civil society toward protecting and restoring the ocean. This was followed in November by the Our Ocean conference, hosted by the EU in Malta, which brought a further 433 tangible commitments, including financial pledges worth €7.2 billion.

These high-level events showcased the widespread determination to deliver Sustainable Development Goal 14, on conserving and sustainably using the oceans, seas and marine resources for sustainable development.

At the heart of this is addressing unsustainable fishing. This is an urgent challenge at a time when a growing global population needs sustainable, low-carbon protein more than ever – yet a third of fish stocks are overexploited, and the ocean faces unprecedented threats from global warming, acidification and plastic pollution.

Over the last 20 years, the MSC has shown that it can be a part of the solution. We have demonstrated a concept that works: catalysing change on the water by building a market for sustainable seafood, certified to a robust and credible standard.

As a result, the MSC has become a prominent voice in the conversation on ocean conservation, and I was privileged to be part of last year's ocean conferences. At Our Ocean 2017, we announced our goal to engage 20% of the global marine catch in our program by 2020 – and, excitingly, 27 leading companies in the seafood supply chain made their own commitments on how they would contribute to this. These “2020 Leaders for a Living Ocean” personify the way that our partners are taking the MSC concept and making things happen.

Reaching 20% of the global marine catch by 2020, and 30% by 2030, is an ambitious aim, but it reflects the scale of the challenge we face. We unashamedly want to scale the MSC program – not for its own sake, but because MSC certification, through the engagement and leadership of our partners, is a driver and an indicator of positive change. Our ever-growing body of evidence, documented in our Global Impacts Report, contains more than 1,200 examples of positive impacts that certification has brought.

We want to see more such impacts in more fisheries – particularly in developing countries, where fisheries are vital to food security and livelihoods but certification can be challenging. At the same time, we will never take our eye off the ball in ensuring that our Standard remains robust and rigorous, and that it provides value for our partners.

The stories contained in this year's Annual Report show some of the progress that the MSC and our partners have made as we work toward our shared goals. I would like to congratulate everyone who has contributed to these achievements, and to thank you all for your continued support. Together, we can safeguard seafood supplies and ensure a healthy future for our ocean.

**Rupert Howes,
Chief Executive**

A message from our Chair



Over the last 20 years, the MSC has proved that it is a force for the good of the ocean. The demand for certified sustainable seafood has led to real improvements in the way fisheries are managed, in the populations of target species, to ocean research, and

to marine ecosystems. And we are determined to continue to play our part in ensuring the survival of the world's oceans and the fish stocks that provide food and livelihoods for so many people.

The MSC has always been a multistakeholder organisation. It is our stakeholders – from the catch sector, from along the seafood value chain, from environmental NGOs, from the world of science – who set our agenda. This is, I believe, our greatest strength. But it is also a constant challenge.

All of us connected to the MSC share the same vision – of oceans teeming with life and seafood supplies safeguarded for this and future generations. But there are, of course, differing views about how best to achieve this.

As the scope of what we do has increased, the issues we face have become increasingly complex. From certifying the sustainable management of specific fish stocks, our

Standard has strengthened requirements which encompass impacts on other species and the wider marine environment, and begun to address social and labour-related concerns. We are also focusing increasingly on the global south, where fisheries governance and science tend to be weaker, presenting significant new challenges.

Taking on board the inputs and balancing the sometimes competing demands of all our stakeholders is inevitably a slow, lengthy process. Running a rigorous and robust certification system that different stakeholders can buy into requires us to adhere to many rules and procedures, and to secure agreements at every step. This can be frustrating at times, but has proven beneficial in the long run.

We have overcome many difficulties during our first 20 years, and we are stronger for having worked through them together. Following a review of our governance processes, this year we put together a new Stakeholder Advisory Council (STAC) to replace our existing Stakeholder Council. As a smaller, more streamlined body the STAC will interact more closely and proactively with our Board. At the same time, they will be able to interact with a much broader group of stakeholders by setting up diverse working groups. This will enable stakeholders to participate more fully in our decision-making.

The Board remains tremendously grateful for the time, effort and expertise that all our stakeholders have put into the MSC over the years. You have made the MSC what it is today, and we rely on you to ensure it remains a powerful force for the good of the ocean tomorrow.

A handwritten signature in black ink, appearing to read 'Werner Kiene'.

Werner Kiene,
Chair of MSC Board of Trustees

Looking back, looking forward

We want future generations to be able to enjoy seafood and oceans full of life, forever.

In 2017, we celebrated our 20th anniversary. It was a time to look back on how the MSC has progressed from a bold idea to a proven concept driving positive change across the oceans. But it was also a time to look forward, as we launched our new strategic plan outlining how we plan to build on what we've achieved so far.

Our goal is to have 20% of the global marine catch coming from fisheries that are MSC certified or closely engaged with the MSC program by 2020. Being closely engaged with our program means being either in the process of being assessed, or using our tools to work toward meeting the MSC Standard. Beyond that, our aspiration for 2030 is to have 30% of the global marine catch either certified or engaged in the MSC program.

By engaging more fisheries, we can catalyse further improvements in the way our oceans are managed, supporting resilience, food security and people's livelihoods. And as more retailers, restaurants, brands and consumers commit to sustainable seafood,

we can transform markets and incentivise even more fisheries to improve.

This year, once again, we've seen major fisheries achieve certification for the first time and seen new species become certified. Importantly, we've also seen many fisheries demonstrate their continued commitment and improvement by successfully becoming recertified to our updated Standard.

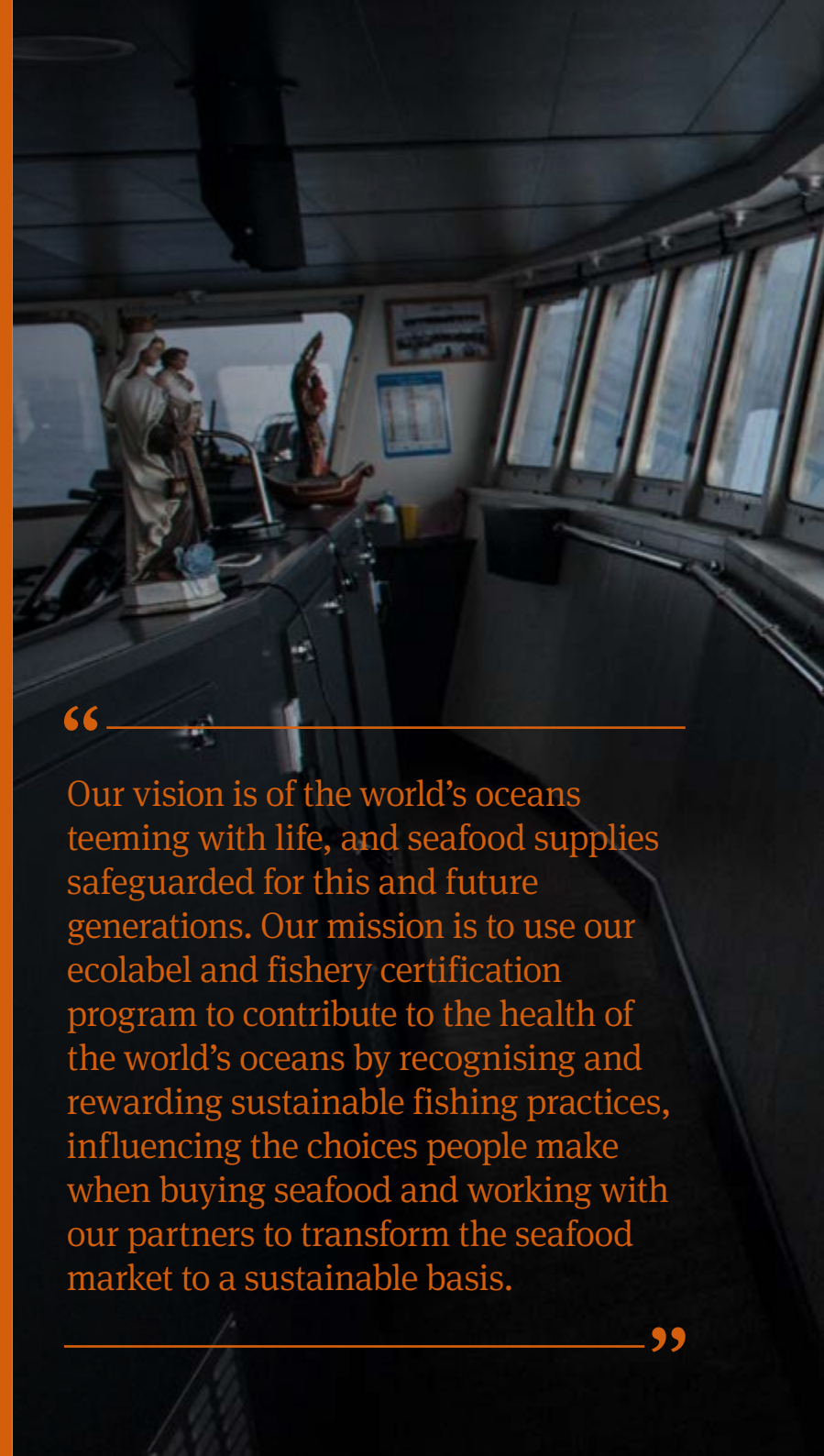
An important part of our strategic plan is to double the number of engaged fisheries in the global south – which currently make up less than 10% of the total volume of MSC certified seafood catch. This year, we've been supporting various projects to improve research and fisheries management from Mexico to Madagascar and Senegal to Indonesia.

Another priority is to build public awareness and support for sustainable seafood – and we used our 20th anniversary to do just that. Running our biggest ever global marketing campaign, launching a new website and working with a huge range of partners, we reached more seafood lovers than ever before.

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Our vision is of the world's oceans teeming with life, and seafood supplies safeguarded for this and future generations. Our mission is to use our ecolabel and fishery certification program to contribute to the health of the world's oceans by recognising and rewarding sustainable fishing practices, influencing the choices people make when buying seafood and working with our partners to transform the seafood market to a sustainable basis.

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Our ambition:

Proportion of the global marine catch which is MSC certified or engaged in the MSC program

2018

14%

2020

20%

2030

30%

The MSC in 2017-18

Driving change on the water

This year, 33 fisheries achieved MSC certification, 55 were recertified, and 45 entered into full assessment. MSC certified fisheries now catch more than 10 million tonnes of seafood, comprising of 141 different species. This represents 13% of total global marine catch and this rises to 14% of total global marine catch when fisheries in assessment are added in. Certified fisheries have made over 1,200 documented improvements in order to maintain MSC certification.

Improving traceability

A total of 4,212 businesses in 44,259 locations in 100 countries hold MSC Chain of Custody certification, giving assurance that certified sustainable seafood can be traced from ocean to plate. They range from processors, traders, brands, retailers and caterers to restaurants, hotels, universities and cruise ships.

Growing the market for sustainable seafood

The blue MSC ecolabel can be found on 28,520 products in 107 countries, with 3,795 new lines added this year. The global market for MSC certified sustainable seafood is worth US\$8.4 billion.

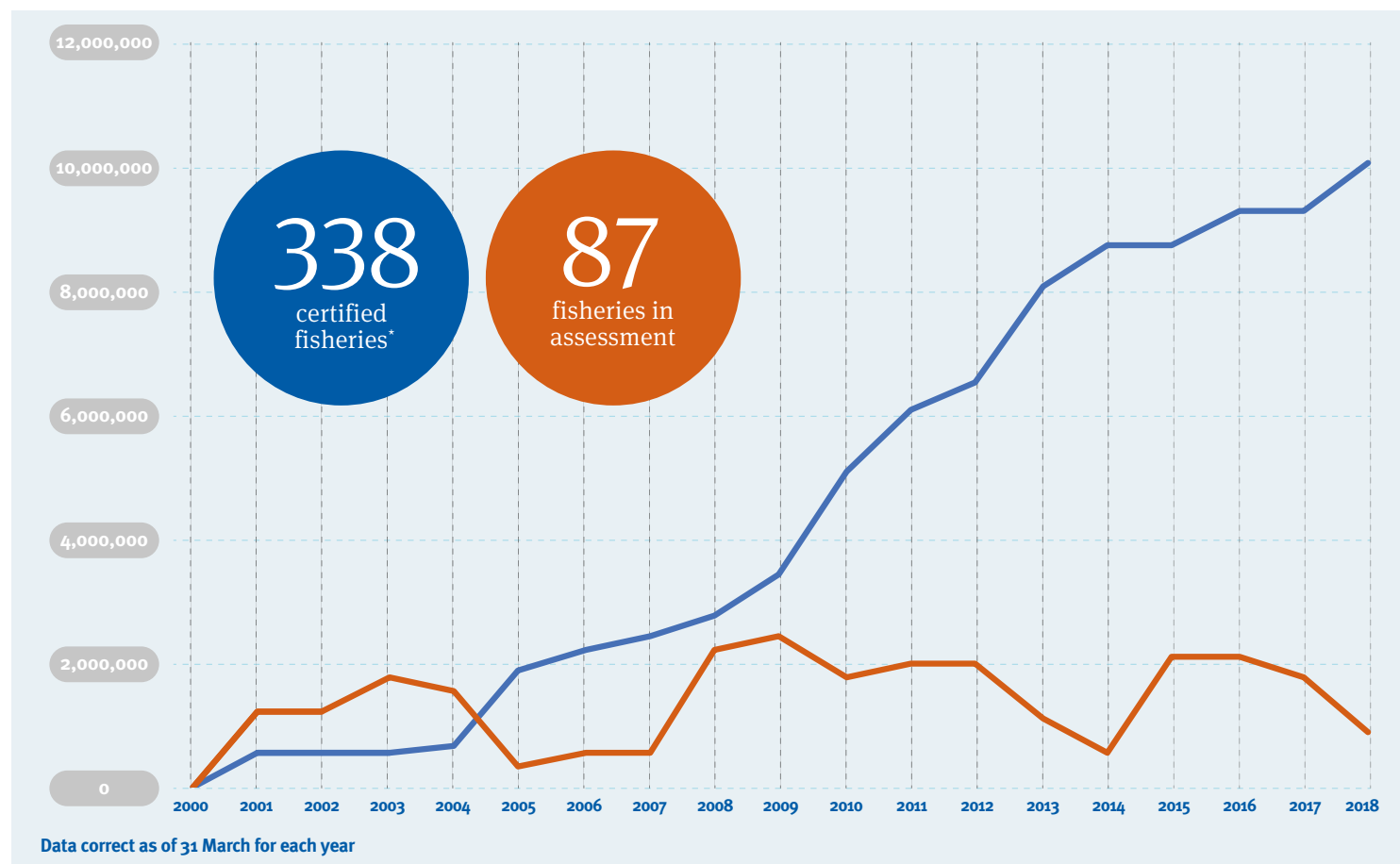
Raising our profile

Our 20th anniversary campaign reached well over 100 million people across the world, including a TV and cinema advert viewed over 6 million times. Understanding of the blue MSC label has increased by an average of 5% across MSC markets in the past 2 years.



Growth in MSC certified catch 2017-18

Volume of MSC certified catch (tonnes)



* Includes 16 fisheries for which MSC certification is currently suspended

10.3
million
tonnes certified catch

13%
of global marine catch

1%
of global marine catch is from
fisheries in MSC assessment

38
countries with
certified fisheries

Making an impact

Making an impact

MSC certification doesn't simply recognise fisheries with a good record on sustainability. It also drives real improvements on the water, from reducing impacts on other species to improving protection for marine habitats.

Many fisheries take steps to improve their management and practices before seeking certification, often after carrying out a voluntary pre-assessment. For example, the Chilean squat lobster and nylon shrimp fishery switched to modern nets that significantly reduced bycatch and minimised damage to the seafloor before entering full assessment. Even so, analysis shows that around half the fisheries that undertake a pre-assessment don't go on to enter full assessment within a year, recognising that there are further improvements to be made.

When fisheries do become certified, they are often required to take steps to strengthen or further monitor their practices in order to maintain their certification. Between 2000 and 2015, 94% of MSC certified fisheries have been required to make at least one improvement, adding up to 1,238 positive changes.

Fisheries achieving recertification tend to score higher than they did in their original assessment, reflecting the improvements they have made.

Protecting habitats

Many uncertainties still remain in the science around the impacts of fishing on marine habitats – we know more about the surface of the moon than the depths of the ocean! But certified fisheries are helping to fill this knowledge gap.

To meet certification requirements, since 2000, fisheries have supported more than 60 research initiatives on marine habitats, ranging from standalone research projects to ongoing data collection. This research can have far-reaching results. In the Arctic, for example, a collaboration between the Sustainable Fisheries Greenland cold water prawn fishery and the Zoological Society of London led to the creation this year of a new 1,900km² marine protected area to conserve a unique seabed habitat for cold water corals and sponges.

More than 30 fisheries have also made technical changes to reduce their potential impact on habitats. Many of these include closing specific areas off

to fishing, and fisheries have also modified the gear they use and introduced new protocols to help protect marine ecosystems.

Rebuilding fish stocks

Fishing at sustainable levels is one of the key principles of MSC certification – and independent data confirms that the populations of target species in MSC certified fisheries are at healthy levels, with the biomass of the stock having increased since MSC certification in many regions. This isn't necessarily the case for non-certified fisheries in the same region – while fisheries that haven't been formally assessed are even more likely to be overfished.

One striking success story is the groundfish fishery on the west coast of the US. The once abundant fishery was declared a federal disaster in 2000 after stocks collapsed. But a new management strategy, prepared in collaboration with environmental organisations and the National Oceanic and Atmospheric Administration (NOAA), enabled fish populations to recover. In 2014, fisheries targeting 13 species achieved MSC certification – with the condition that they will continue to evaluate harvest

control rules and update stock assessments. Groundfish stocks are now more abundant than ever, while a NOAA report in 2017 showed that the total number of overfished stocks in the US is at an all-time low.

Minimising bycatch

Bycatch – the unwanted capture of different species of fish and other creatures – can deplete fish stocks, threaten endangered species and damage marine ecosystems. Certified fisheries strive to ensure that bycatch is not having a detrimental impact on any species. For example, a recent analysis of data showed that between 2007 and 2013, 60 certified fisheries made improvements to reduce or eliminate bycatch through gear modifications, better monitoring and changes to management practices.

These have included measures to reduce bycatch of birds, sharks and rays, whales and dolphins, seals and sea lions, turtles, squids and octopus, and sea stars and urchins, as well as other fish species. For example, the South African hake trawl and toothfish fisheries in the Southern Ocean have effectively eliminated albatross bycatch and the Australian rock lobster fishery has reduced sea lion mortality to zero.

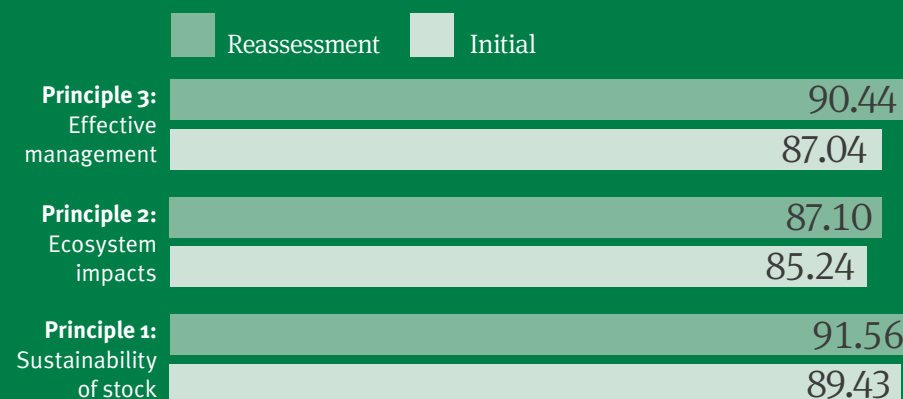
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There can be no question that the MSC has been one of the most effective frameworks for mobilising advances in fisheries management in diverse jurisdictions over the last two decades. I know of no greater tool for individually incremental, but collectively profound, fisheries reform.

Dr Sian Morgan, SCS Global Services

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A 2018 analysis of 27 fisheries that were recertified to the same version of the MSC Fisheries Standard showed that average scores increased across all three principles between their initial assessment and their reassessment.



Making a splash in the developing world

To achieve our vision of oceans teeming with life, we're aiming to double the number of developing countries' fisheries involved in the MSC by 2020. This year, five fisheries in the developing world became MSC certified and another 13 entered assessment. Fiji, co-host of the first United Nations Ocean Conference, pledged to get 75% of its longline vessels MSC certified. This year its first certified longline fishery was recertified, adding yellowfin tuna as a certified species

and extending sustainable fishing into the high seas. 60% of Fijians are coastal dwellers so the health of the oceans is critical for livelihoods and food security.

"By certifying our fishing practices to the requirements of the MSC, Fiji is establishing a promising momentum as a forward-thinking nation, determined to deliver traceable, sustainable seafood."

Anare Raiwalui, Executive Officer of the

Fiji Fishing Industry Association (FFIA), Suva, Fiji.

We're also looking beyond the certification of individual fisheries to promote wider improvements in research, data collection and fisheries management in the developing world. The MSC funded two scholarships that will further research in Kenya and East Africa. Lily Zhao from the University of Washington and the Stockholm Resilience Centre is

mapping the trade flows of octopus from small scale fisheries in East Africa. This research will complement an MSC initiative launched in March 2017, to map the sustainability of octopus fishing across the Western Indian Ocean. The second scholarship went to Timothy Munyikana Kakai from Pwani University in Kenya to trial the use of LED lights on nets to reduce turtle bycatch in Kenyan artisanal fisheries.



Fish for Good

At least 25 fisheries in Indonesia, Mexico and South Africa will receive support to move towards sustainability, thanks to a €1.75 million grant from the Dutch Postcode Lottery. The Fish for Good project which was launched last year, has stepped up our engagement with fisheries in these three key emerging economies. The first phase of the project involves mapping the fisheries operating in each country, and working with stakeholders including researchers, NGO's, fishery managers and businesses to develop individual profiles for fisheries. Following this, advisory groups, comprising country expert representatives will select fisheries interested in carrying out preassessments to identify the gaps they would need to address to meet the MSC Fisheries Standard. Action plans will then be developed in collaboration with other stakeholders that will put them on the pathway to certification. As well as supporting improvements in individual fisheries, Fish for Good is helping to raise awareness of sustainable fishing practices and MSC certification.

Through capacity building and collaboration with governments, supply chain partners, fisheries and NGOs, we hope to drive

wider improvements in fishing practices and ocean stewardship.

Global Fisheries Sustainability Fund

Gaps in scientific knowledge and a lack of resources or expertise, can prevent fisheries in the developing world from operating sustainably. Our Global Fisheries Sustainability Fund (GFSF) was set up to address this.

The Fund operated for two years and, out of more than 75 applications, £400,000 has been allocated to 11 projects in 10 countries. With matched funding and in-kind support from our partners, the total funding exceeds £1 million.

To maximise this investment, GFSF projects needed to have an impact beyond an individual fishery, and a plan in place for transferring their knowledge and learning to others. By sharing knowledge and developing solutions that can be replicated, we can support wider change for small-scale and developing world fisheries. GFSF-funded projects already under way include:

Supply chain traceability in Indonesia:

For fisheries to benefit from certification,

their supply chains need to have MSC Chain of Custody certification. Local foundation MDPI Indonesia and partners carried out traceability audit trials to support fisheries, supply chain companies and local NGOs to track MSC-certified seafood. The Indonesian government is now carrying out further supply chain assessments.

Octopus data collection in Madagascar:

NGO Blue Ventures is supporting small-scale octopus fishers in Madagascar to work toward MSC certification. As part of this, it's developed a smartphone app that helps fishers collect data.

Capacity building in the Coral Triangle:

In the rich tropical seas between the Philippines, Indonesia and the Solomon Islands, WWF's Coral Triangle Programme is training local assessors on the MSC Fisheries Standard and other tools to help fisheries work toward sustainability. Having more local assessors can reduce certification costs.

The latest award recipients include projects focusing on crayfish in China, artisanal stone crab fisheries in Chile, tuna baitfish in Indonesia and India, and octopus in Senegal.



Madagascar octopus fisher underwater © Garth Cripps / Blue Ventures



Processing tuna in Indonesia © Titia Sjenitzer / MSC

Tuna stakes

From steaks to sushi to sandwiches, tuna is one of the world's most popular seafoods. It's also one of the most economically valuable, a multi-billion dollar industry that provides livelihoods for hundreds of thousands of people and vital revenue for many developing countries.

Over the last few decades the global tuna catch has risen astronomically – from 0.6 million tonnes in 1950 to more than 6 million tonnes today (UN FAO). So it's hardly surprising that tuna stocks are under increasing pressure: 57% of commercial tuna stocks are considered healthy, while 13% are classified as overfished (ISSF). Tuna fishing can also result in bycatch of other species, including marine mammals, turtles, sharks and rays.

Sustainable management of tuna fisheries is an urgent priority – and the MSC is determined to be part of the solution. By building demand for certified sustainable tuna, we can drive improvements not just in certified fisheries, but in tuna governance more generally.

With several fisheries passing their assessments this year, around 22% of the global tuna catch is now certified to

the MSC Fisheries Standard. As of 31st March 2018, there were 18 certified tuna fisheries, with another 9 in assessment.

New Zealand's skipjack purse seine fishery, operated by Talley's Group Limited, achieved certification for the first time in 2017, becoming the second certified tuna fishery in the country. While the skipjack stock the fishery targets is currently healthy, maintaining certification will depend on science-based harvest control rules being introduced at a regional level.

This is the responsibility of the Western Central Pacific Fisheries Commission, the regional fisheries management organisation (RFMO) which oversees these highly migratory species. In the past, RFMOs have often been slow to address declines in tuna stocks, because their decisions require consensus among all member states. Agreeing precautionary measures in advance means they can react much more quickly to prevent overfishing – not just within certified fisheries, but across the whole region.

The Indian Ocean Tuna Commission recently showed the way forward, agreeing ground-breaking harvest control rules for skipjack

tuna following strong advocacy from the MSC certified tuna fishery in the Maldives along with a number of retailers, brands and NGOs. Along with our partners, the MSC is pushing for stronger action from other RFMOs.

Also newly certified this year was the Mexico's yellowfin and skipjack tuna purse seine fishery, operated by the Pacific Alliance for Sustainable Tuna. This follows 30 years of hard work to improve tuna fishing practices in the region, particularly to prevent dolphin mortalities. While MSC certification is a significant milestone, it isn't the end of the journey: as a condition of certification the fishery has adopted a comprehensive sustainability action plan, which includes further measures to protect dolphins, sharks and rays.

Meanwhile, Fiji's longline albacore tuna fishery was recertified, and its yellowfin tuna received certification for the first time. Using lines with baited hooks, it was the first fishery of its kind to receive certification, demonstrating that this method of tuna fishing can be sustainable when carefully managed. Bycatch of seabirds and turtles – a potential impact of longline fishing – is very low, and crew

members are trained to release any turtles accidentally caught. Fiji's Polynesian neighbours – the eight countries that make up the Parties to the Nauru Agreement (PNA) – also achieved recertification this year. The PNA skipjack tuna fishery is the largest MSC certified tuna fishery in the world, and being able to sell their product with the MSC ecolabel has given these small island states a significant economic boost.

The certified fishery uses purse seine nets on free-swimming schools of tuna, which results in very little bycatch of other species or juvenile tuna.

With the majority of the global tuna catch caught using FADs, the fishing industry and NGOs in PNA and elsewhere are working to reduce the impacts of this fishing technique. The MSC itself is currently supporting two significant tuna fishery improvement programs in Spain and Ecuador that involve FADs.

While fishing methods and challenges vary across the world's oceans, we're committed to ensuring the MSC provides a credible Standard for sustainable tuna, and an incentive for tuna fisheries to continue to improve.

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By gaining MSC certification for our skipjack fishery we have not only gained a competitive edge in the market, for which the MSC label is in high demand, but we have also shown that we are fishing responsibly and sustainably. In doing so we are providing the assurance to the public at large, and to our local fishing communities in particular, that we are committed to maintaining our fishery resources in a healthy state for future generations.

Andy Smith, Talley's purse seine skipjack fishery, New Zealand

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Newly certified fisheries

Greenland halibut first and second

The first Greenland halibut fishery achieved MSC certification this year – and was soon followed by a second.

In May 2017, the Greenland halibut fishery operating in the offshore waters of West Greenland was certified as sustainable. In October, they were joined by fishers from Iceland – part of the Icelandic Sustainable Fisheries group. And three more Greenland halibut fisheries are now entering assessment, showing the ripple effect that can happen when a new species becomes certified. Greenland halibut – which belongs to a different genus from Atlantic and Pacific halibut – is a cold-water flatfish, which is commercially very valuable. Much of the catch is exported to China and Japan for fillets, sushi and sashimi.

“Greenland halibut is an important fishery for the Greenlandic economy. We have received queries from our customers about sustainability certification. We hope and believe this MSC certification will be well received by our overseas customers both in Europe and especially in Asia.”

Lisbeth Due Shoeneman-Paul, Corporate Sustainability Manager, Royal Greenland and chair of Sustainable Fisheries Greenland

Norway reaches 69% sustainability

Norway is showing itself as a world leader in sustainable fisheries, with more than two-thirds of the country's marine catch now MSC certified.

The certification of the Norwegian ling, tusk and lumpfish fishery in October 2017 means 69% of all Norwegian fish landed by volume meets the MSC Fisheries Standard. It follows increased demand from customers for MSC certified products – particularly for lumpfish, which is mainly sold in Sweden for its roe and caviar.

As a condition of certification, the fisheries will put in place clearly defined harvest control rules and a strategy to manage impacts on endangered, threatened and protected species.

“We are pleased to have this certification in place – the project was a response to a strong push from some of our key markets, and we are now pleased to be able to provide them with the desired documentation.”

Tor B. Larsen, Environmental Advisor, Norwegian Fishermen's Association



Norwegian cod fishery in Lofoten © Ulf Berglund



Halibut fish steaks © iStock.com/vlad_karavaev

Good news for cod and chips

Cod and chips is an iconic dish in the UK – and now consumers can once again eat it with confidence with the certification of the North Sea cod fishery.

Just over a decade ago, the once-abundant North Sea cod stocks were on the brink of collapse. From a high of 270,000 tonnes in the 1970s, stocks fell to just 44,000 tonnes in 2006 – even though UK consumers eat some 70,000 tonnes of cod each year.

Bringing the fishery back to a sustainable level is the result of an enormous effort by a coalition of Scottish and English fishing organisations with support from supermarkets, seafood brands and NGOs. The industry worked with the Scottish government and EU Fisheries Council on a ‘Cod Recovery Plan’ to nurse the stock back to health.

Measures included reducing catch levels, closing large spawning areas to fishing, introducing new nets, and remote monitoring using on-board CCTV cameras. North Sea cod can now join neighbouring cod fisheries in the Barents Sea and Iceland in bearing the MSC ecolabel, ending confusion for consumers. In a survey

carried out for the MSC, almost three in ten people surveyed in the UK (28%) thought cod was not sustainable and that people should actively avoid eating it, but the same number believed the opposite – while 35% just didn’t know.

MSC certification was an important milestone for the fishery, but it’s not the end of the story. To remain certified the fishery has committed to ongoing improvements, including measures to further rebuild and monitor cod stocks.

“This is brilliant news for both the industry and consumers, and Seafish is delighted to see North Sea cod awarded MSC certification. It is our mission to support a profitable, sustainable and socially responsible seafood industry, and this is a shining example of how industry and science can work together for a profoundly positive outcome.”

Marcus Coleman, Chief Executive of fishing industry organisation, Seafish



Continued commitment

After five years, a fishery needs to reapply for MSC certification, and will be reassessed to check it still meets the standard and has made any improvements that were required. Recertification is something to celebrate, as it shows both that the fishery is operating sustainably over a long period, and that those involved see continued value in being certified.

Australian milestones

Three major recertifications this year showed the ongoing commitment of the Australian fishing industry to sustainability.

Back in 2000, the Western Australian rock lobster fishery – one of the most economically valuable in the country – was the first ever fishery to achieve MSC certification. And in June 2017, it became the first in the world to be certified for a fourth time.

The leadership and commitment of the rock lobster fishers has paved the way for other fisheries in Western Australia, where over 90% of fisheries by value are now engaged in the MSC program. In the north, the Australian Northern Prawn Fishery – which covers 771,000 square kilometres of tropical waters – achieved recertification. Australia's largest and most valuable prawn fishery, which catches

banana, tiger and endeavour prawns, was first certified in 2012. Since then, it's made a number of improvements to ensure sustainability, including investing in research and data collection to better understand the possible impacts on marine habitats and ecosystems.

Five thousand kilometres to the south, Australia's Heard Island and McDonald Islands (HIMI) toothfish fishery was also recertified this year. Once threatened by illegal overfishing, stocks of toothfish (also called Chilean sea bass) are now recovering. Around 60% of the global catch is MSC certified, and strong management and collaboration between certified fisheries has largely stamped out illegal fishing.

The HIMI fishery has made a number of improvements to ensure that stocks continue to be managed sustainably, and to understand more about the possible impacts on marine ecosystems. The remote volcanic islands are close to one of the largest marine protected areas in the world, covering over 65,000 square kilometres, and the fishery has a number of environmental measures in place, such as seasonal closures and bird-scaring lines that prevent accidental bycatch of seabirds.

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As Aussies, we take pride in our beautiful oceans and coastlines, abundant with delicious seafood. The forethought and commitment of our certified fisheries ensures we can have seafood and healthy oceans for the next generation.

Anne Gabriel, Program Director, MSC Oceania

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The Australian Northern Prawn Fishery launch their MSC certification at Taronga Zoo © Charlotte Connell / MSC



Western Australia Rock Lobster harvested by James Paratore © Western Rock Lobster Council Inc.

All in for Alaska salmon

The entire Alaska salmon industry is now MSC certified once again, after fishing activities in Prince William Sound were independently assessed as sustainable.

Alaska's iconic salmon first achieved certification in 2007. But when it was reassessed in 2013, the third-party certification team decided that certification for the Prince William

Sound unit should be put on hold. This was to enable a full analysis of a long-term study into the impacts of salmon hatcheries on populations of wild salmon and herring in the area.

The results suggest that there is little risk of hatched salmon having a negative impact on wild populations, meaning that all salmon from Alaska now meets the MSC Standard.

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The Alaska salmon fishery management program and its participants are committed to sustainable use of the ocean's natural resources, a key component of our business. We are proud to have the MSC process again recognize the sustainability of Prince William Sound and all Alaska salmon.

Lenn Reed, President, Pacific Seafood Processors Association

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Fishery firsts

An amazing 141 species are now MSC certified. When new types of fisheries become MSC certified, it promotes sustainable ocean governance in new areas, as well as increasing choice for sustainable seafood lovers. Some highlights this year include:

Russian red king crab

Reaching weights of 10-15kg, red king crabs are one of the largest edible crab-type species in the world. Native to the Okhotsk and Japan seas, the Bering Sea and the northern Pacific Ocean, they were introduced to the Barents Sea by Soviet fishery scientists in the 1960s. Now, Russian fishers in the Barents Sea have become the first to demonstrate that their king crab fishery is sustainable – and we hope others will follow their example.

“The work on this project has helped us to improve the management systems both inside our organization and in our fisheries. Through the process of becoming MSC certified, we now better understand the environmental impacts of our activities.”

Sergey Nesvetov, Executive Director, North West Fishing Consortium

Baltic Sea sprat

In May 2017, Latvia's sprat fishery became the first in the Baltic to achieve MSC certification. Its 22 trawlers landed 16,437 tonnes of sprat in 2016, about 8% of the EU quota for sprat in

the Baltic Sea. Most is packed in brine or oil for the European market. Strong management means Baltic sprat stocks are healthy. Following the Latvian's lead, the Finnish sprat fishery also entered MSC assessment, achieving certification in June 2018.

“The MSC sprat certificate will open doors to new markets that were previously closed to Latvian fishermen. The certification also comes with some new responsibilities for the fishermen. Our organisation will monitor the process and collect data on catches and MSC certified sprat export. We think this certification will bring many new advantages in the future.”

Inarijs Voits, Chairman, Latvian Fishermen's Producers Organization

Canada redfish

The certification of Canada's first redfish fishery, focused on the Grand Banks off Newfoundland, marks an impressive turnaround. Following years of overfishing by various international fleets, a moratorium was declared on redfish fishing in 1998 – and it wasn't until 2010 that the fishery was reopened. But careful management – including cautious quotas, gear specifications, restrictions on areas and times of fishing, and protection of sensitive areas – has paid off for Ocean Choice International, the main harvester, with the fishery achieving MSC certification in May 2017. Most Canadian redfish is frozen at sea for Asian markets.



North Sea brown shrimp

The North Sea brown shrimp fishery comprising of around 400 boats from Germany, Denmark and the Netherlands, achieved MSC certification in December 2017. During two years of collaboration between fishermen, conservation NGOs, government bodies and scientists, a number of improvements were made to improve the management of the fishery. A science-based harvest control rule was developed to ensure the stable and healthy growth of shrimp stock, along with larger-mesh nets to reduce bycatch. A group of environmental NGOs will continue to work with fishers to monitor the effectiveness of these and other improvements.

“The shrimp fishery certification shows that the MSC program works: the fishermen have joined forces and put everything in place to scientifically understand and minimise the impact of shrimp fishing on the environment. All of this effort was aimed at obtaining MSC certification for sustainable fishing. I take my hat off to all those who have united for this purpose.”

Hans Nieuwenhuis, MSC Program Director, Benelux



© Saskia Lelieveld / MSC

Australian pearls

You might not expect to find the blue MSC ecolabel on a pair of earrings – but that could soon be the case after the Australian Pearl Producers Association became the first wild pearl fishery in the world to achieve MSC certification.

Pearl oysters have been fished off Western Australia for more than 150 years, and the fishery is one of the country's most economically valuable. The oyster meat, highly prized in Asian markets, can now be sold with the MSC label – and certified pearls and mother-of-pearl products are set to follow soon.

“More and more consumers are looking for sustainability credentials from their favourite brands, whether it's clothing, food or jewellery. MSC allows producers to display their sustainability credentials through third party certification.”

Guy Leyland, MSC Project Coordinator, Western Australia Fishing Industry Council



©Paspaley Pearling Company

Suspensions

Snow crab suspension drives action to protect whales

MSC certification is hard won and hard kept. Around half of the fisheries that enter pre-assessment don't progress to full assessment within the same year. And equally, sometimes fisheries can have their certificates suspended if the independent certifier deems they no longer meet the requirements of the MSC Fisheries Standard. As of March 2018, 13 fisheries had certificates suspended: the suspension process is an important part of the rigour of the MSC program.

In March 2018, the snow crab fishery operating in the Southern Gulf of St. Lawrence in Canada was suspended from the MSC program after a report into the deaths of 12 right whales during the 2017 season.

Snow crab stocks are at very healthy levels: so much so that quotas reached record levels in 2017, meaning a longer fishing season and more gear in the water. At the same time, unprecedented numbers of endangered North Atlantic right whales were recorded in the Gulf of St. Lawrence. This resulted in 12 right whales dying in the area, including two mortalities attributed to crab fishing gear.

Auditors investigated and decided the fishery no longer met the MSC Fisheries Standard related to protecting endangered, threatened and protected species. As a result, snow crab from this area could no longer be sold as MSC certified.

The fishery quickly responded by launching a corrective action plan which aims to ensure snow crab fishing doesn't cause negative impacts on whales and other threatened species. Mitigation measures the fishery is exploring include gear modifications, implementing closures of high-risk areas and using technology to detect and record whales.

If future audits judge these actions to be successful, then the suspension will be lifted and snow crab caught in the Southern Gulf of St. Lawrence can once again be sold with the MSC label.

The MSC Fisheries Standard is designed to keep fisheries engaged with the program, so we can continue to work with them to influence and drive improvements. In 2012, for example, the suspension of seven mackerel fisheries helped launch an unprecedented international partnership to improve the management of the whole Atlantic mackerel industry.

“

We have been working with Fisheries and Oceans Canada and all the fishers' associations in the Southern Gulf of St. Lawrence to address the tragic events of summer 2017. There is a collective will to make sure this is never repeated again and we are strongly advocating for effective solutions. We are committed to returning the fishery back to the position where it meets the MSC Standard once again.

Peter Norsworthy, Affiliation of Seafood Producers Association of Nova Scotia

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Pathways to sustainability

The 2018 State of World Fisheries and Aquaculture (SOFIA) report from the UN Food and Agriculture Organization (FAO) shows fisheries in the developed world are becoming more sustainable. In the US, 74% of stocks were assessed as sustainable in 2015, up from 53% in 2005, while in Australia the proportion jumped to 69% from 27%. The number of MSC certified fisheries in both countries increased significantly over the same period.

In the developing world, however, it's a different story. Nearly three-quarters (73%) of the world's seafood is now caught in developing countries,

increasingly to supply export markets, as well as providing a vital source of protein for hundreds of millions of people in these countries. But the number of sustainable fish stocks is decreasing while only around 10% of MSC certified fish by volume comes from developing countries. Overfishing, rising seas, pollution, coral bleaching and acidification are all threatening the oceans and the lives and livelihoods of those who depend on them. While there is plenty of research into the impact of these challenges, significant solutions for the most part are still a long way off. But this is not the case with overfishing. We know how to fix it, yet sadly it continues, year after year.

Often, however, a lack of knowledge, structure and formal management of fishing fleets presents a barrier, especially for small-scale fisheries and those in the developing world. For the last 20 years the MSC has been playing its part in trying to address this threat. The MSC Fisheries Standard provides a benchmark that can be used by fisheries worldwide to assess their sustainability and better understand gaps in management, data and governance and what improvements they need to make.

The MSC has been working to build capacity, creating tools and guidance, funding research and reaching out to



Two small boats in the Ashtamudi short-necked clam fishery, Kerala, India. Bart van Olphen trip © David Loftus

vulnerable fisheries to help those who have difficulty accessing our program develop the skills to get started on the journey to sustainability. And there have been many successes, like the Vietnamese Ben Tre Clam fishery or the Suriname seabob fishery.

However as the ocean crisis deepens, we need to move faster to ensure that all fishing worldwide becomes sustainable. The MSC cannot solve overfishing alone. To deliver on SDG 14 and achieve our vision of oceans teeming with life and seafood supplies safeguarded for this and future generations, we need urgent, large-scale action from across the seafood industry and improve the accessibility of our program.

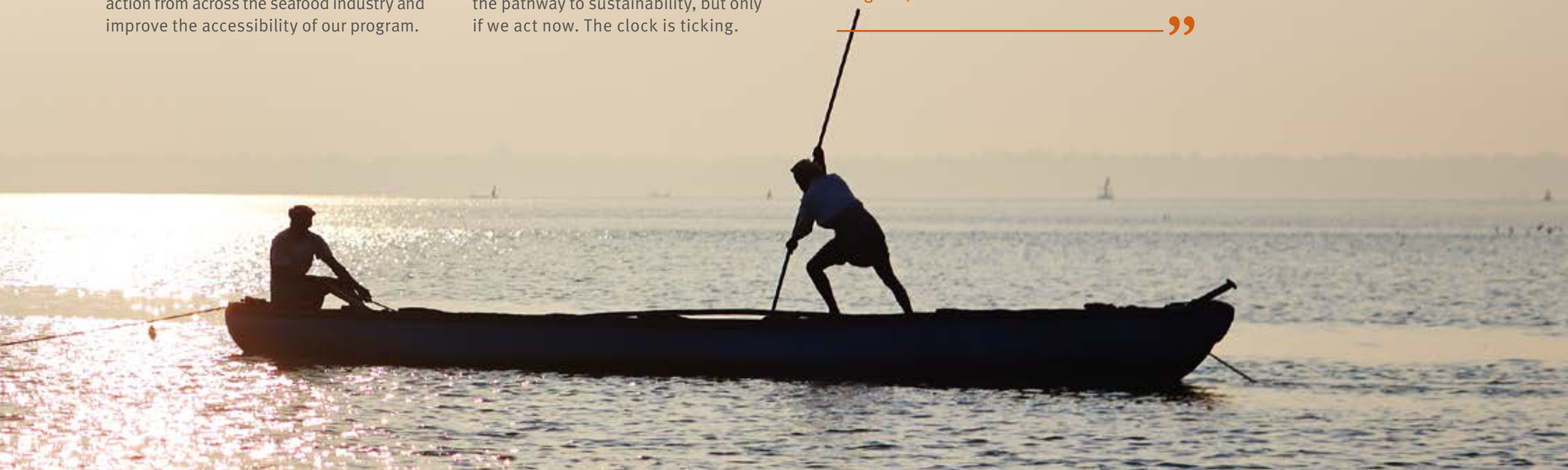
This means consolidating our own efforts so that our program is easier to work with, and also working together with other NGOs, governments, retailers and funders to create a pathway to sustainability with numerous entry points for all fisheries.

If there's one thing that being at the forefront of fisheries development for more than two decades has taught us, it's that collaboration is key. Knowledge-sharing and communication to deliver lasting change at scale must begin immediately. Together, we can make sure that all fisheries globally are on the pathway to sustainability, but only if we act now. The clock is ticking.

“ For too long, we as a sector have not paid sufficient attention to the sustainability of fisheries in the ‘global south,’ but if we are serious about ending overfishing, this is a challenge we can no longer ignore.

Oluyemisi Oloruntuyi, Head of the Developing World and Accessibility Program, MSC

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Chain of Custody

From the ocean to your plate, fish and seafood products pass through many stages of complex supply chains. The MSC Chain of Custody Standard is an essential ingredient of the MSC's offering to supply chain partners - and a clear reassurance to consumers of the rigour behind the MSC blue label. Every company that takes ownership of MSC certified seafood and sells it as certified, is independently audited and certified against the MSC Chain of Custody Standard. The Standard ensures an unbroken chain where certified seafood is identifiable, segregated and traceable.

Tallink Silja cruises ahead

The world's first MSC certified cruise ships set sail on the Baltic this year. Five ships belonging to Estonian company Tallink Silja obtained MSC Chain of Custody certification for the seafood they serve. Passengers can now tuck into shrimp and herring with the blue MSC label, knowing that what's on their plate can be traced back to a sustainable fishery.

"Tallink Silja strives to source sustainably and to guide its customers towards making the right choices. The MSC is the world's most credible environmental certificate for sustainably caught seafood,

so the MSC Chain of Custody certification implemented on our vessels is a natural step towards advancing our sustainable development work. In the future, we intend to get MSC certification for all of our ships operating on the Baltic Sea."

Marika Nöjd, Communications Director, Tallink Silja

Amy's Choice: sustainable cod

The first MSC certified independent restaurant in China launched this year, giving Chinese diners the opportunity to try various cod dishes that can be traced back to a sustainable fishery. Amy's Choice received MSC Chain of Custody certification in November 2017, just three months after it opened. The restaurant is owned by Qingdao Spring Seafoods, known in China as "Ai Chi Yu", which has more than 20 years of experience in the whitefish trade.

"In the last five years, MSC has received tremendous support from Chinese stakeholders, including major retailers, hotels and industry. Amy's Choice, as the first certified restaurant in China, will encourage more Chinese industry and food services to introduce sustainable seafood programs."

An Yan, China Country Director, MSC





Premier Inn comes first for sustainable seafood

An extra three million portions of certified sustainable fish and chips were served in Premier Inn outlets across the UK last year, after all Premier Inn restaurants became MSC certified.

In April 2017, Premier Inn announced that all its restaurant brands, including Beefeater, Brewer's Fayre and Table Table, will feature the MSC blue tick on menus. That makes the company the world's largest MSC certified national hotel chain, with a total of 635 locations now serving fish with the blue MSC label.



© Rachel Dacre / MSC

2020 Leaders for a Living Ocean

Corporate leaders pledged their support for a healthy ocean at the Our Ocean conference in Malta in October 2017. As the MSC program announced its own “20 by 2020” goal to bring 20% of the global marine catch within the MSC

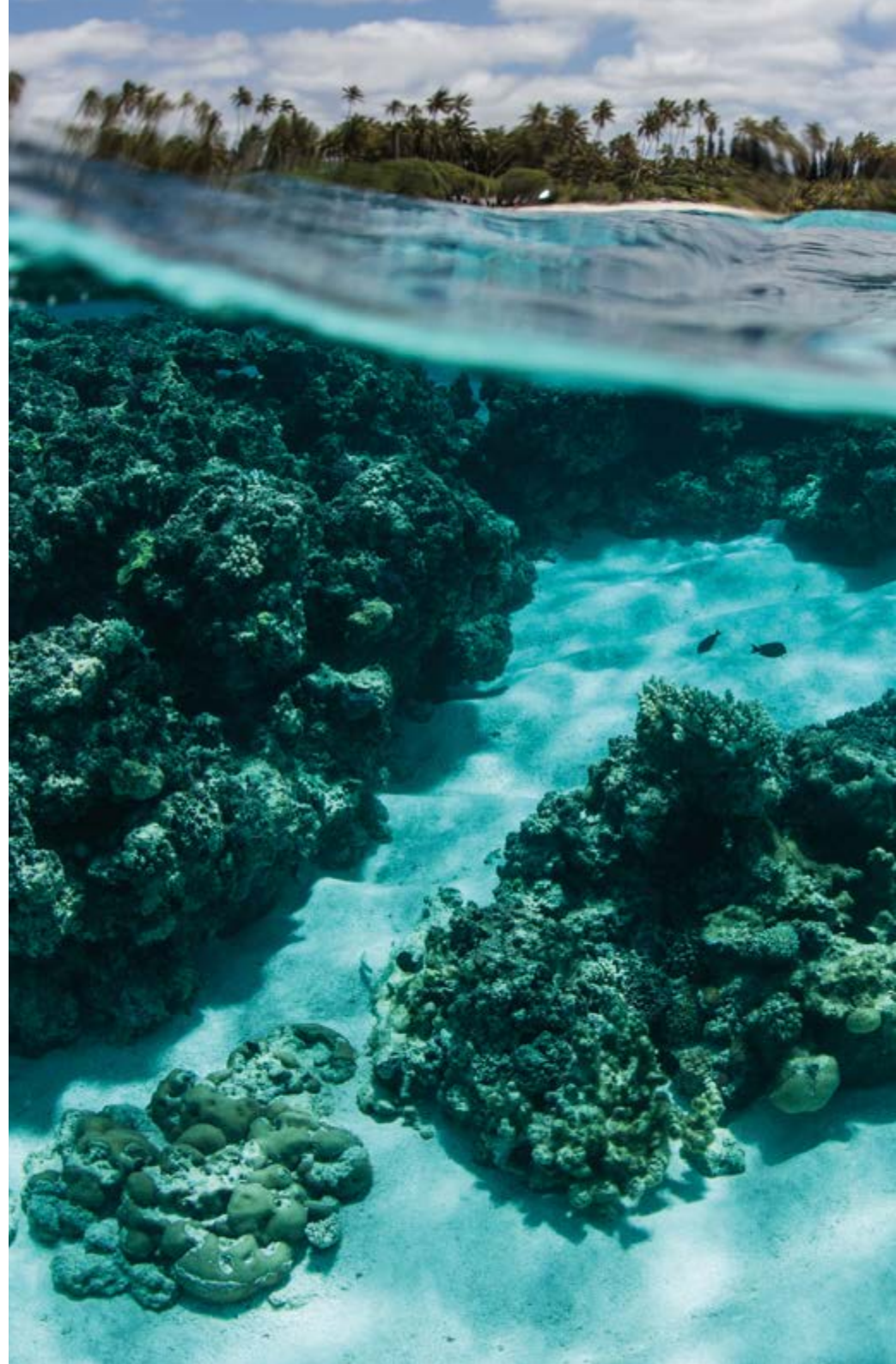
program by 2020, 27 companies and organisations in the seafood supply chain stepped up with their own commitments. They include supermarkets, food service companies, seafood brands and fishing associations.

“ By putting sustainability at the heart of their business strategy, these leaders are driving positive change. Their leadership is helping propel the global sustainable seafood movement, and fuel responsible consumption by empowering those who are seeking sustainable choices.

Rupert Howes, Chief Executive, MSC



Rupert Howes from the MSC with some of the Leaders for a Living Ocean at Our Oceans Conference 2017 © Lucy Erickson / MSC





These 2020 Leaders for a Living Ocean will be contributing to SDG14 by increasing the proportion of MSC certified seafood they sell, serve and supply. We'll be supporting them in their journey to transform their business and act as agents for change within their sphere of influence:

Retail

Alibaba Group / TMall (China)
Aeon Group (Japan)
Aldi Group (International)
Ahold Delhaize Group (International)
Albert Heijn (Netherlands and Belgium)
Carrefour (International)
Coles (Australia)
Colruyt Group (Belgium)
El Corte Inglés (Spain)
Eroski (Spain)
Japanese Consumers' Co-operative Union (Japan)
JUMBO (Netherlands)
Kroger (USA)
Sainsbury's (UK)

Catch sector

Danish Fishermen's Producer Organisation
Icelandic Sustainable Fisheries
Parlevliet & Van der Plas (International)
PNA (South Pacific)
Western Australia Department of Primary Industries and Regional Development/Western Australian Fishing Industry Council

Food service and brands

IKEA (International)
McDonald's (International)
Seafood brands
FishTales (Netherlands)
Isidro 1952, S.L. (Spain)
Mars Petcare (International)
Nomad Foods (International)
ORKLA Foods Sverige AB (Sweden)
Thai Union (International)

Sustainable seafood getting big in Japan

Japan is one of the world's most valuable seafood markets, and few countries consume more fish per capita. So it's encouraging to see the MSC label becoming increasingly visible across the country, with several significant developments.

Two long-time MSC supporters, Aeon and the Japanese Consumers' Co-operative Union (COOP), both stepped up their commitments through the 2020 Leaders for a Living Ocean initiative. Retail giant Aeon – the largest in Asia – committed to ensure that, by 2020, 20% of all seafood products sold at its outlets will be either MSC or ASC certified. In addition, all its stores will acquire MSC Chain of Custody certification (except for small-scale shops with no processing or packaging facilities).

Aeon has also broken new ground with the launch of the world's first MSC-certified

onigiri. The rice-ball snack is flavoured with salmon and pollock roe from sustainable fisheries, and has initially been made available in around 1,400 outlets.

The Japanese Consumers' Co-operation Union (COOP) has been selling MSC certified products since 2007 and achieved Chain of Custody certification in May 2018. Today 52 products (17% by value of COOP's private label seafood products) carry the MSC or ASC label, and the group has announced that this range will be further increased to over 20% by 2020.

The goal will entail work with domestic and overseas suppliers to help them improve their production standards, as well as an awareness- raising program among COOP members. COOP Deli, the largest regional COOP, is also expanding its labelled range

and requesting its suppliers to get Chain of Custody certification.

Japan's largest seafood companies are responding to this growing demand. Sustainability features prominently in the new range of products launched this year by Maruha Nichiro, one of the biggest seafood processors in the world. MSC certified fish features in various popular frozen household products, like the new Ocean Blue white fish fillet and tartar sauce which sources its pollock from sustainable fisheries in Alaska.

Nippon Suisan (Nissui), the second largest marine product company in Japan, also offered new MSC- certified products this year. These include canned mackerel, the first ever MSC certified canned product from a Japanese company. Nissui is working with its group companies to increase its

capacity for producing and selling certified fishery products. Meanwhile Ishihara Marine Products, which supplies fresh and processed tuna to the Japanese market, has reacted to the growing appetite for sustainability by entering its pole-and-line skipjack and albacore tuna fisheries for assessment against the MSC Fisheries Standard. The Ishihara company caught 1,780 metric tonnes of skipjack and albacore tuna in 2016.

The increased availability of MSC certified seafood will enable more consumers and companies to make sustainable choices. Panasonic set an example this year by announcing that it will offer MSC certified seafood in all its staff canteens by 2020, starting with its headquarters in Osaka. With all of these major supporters of the program, sustainable seafood in land of the rising sun is definitely on the rise.



ÆON

20%

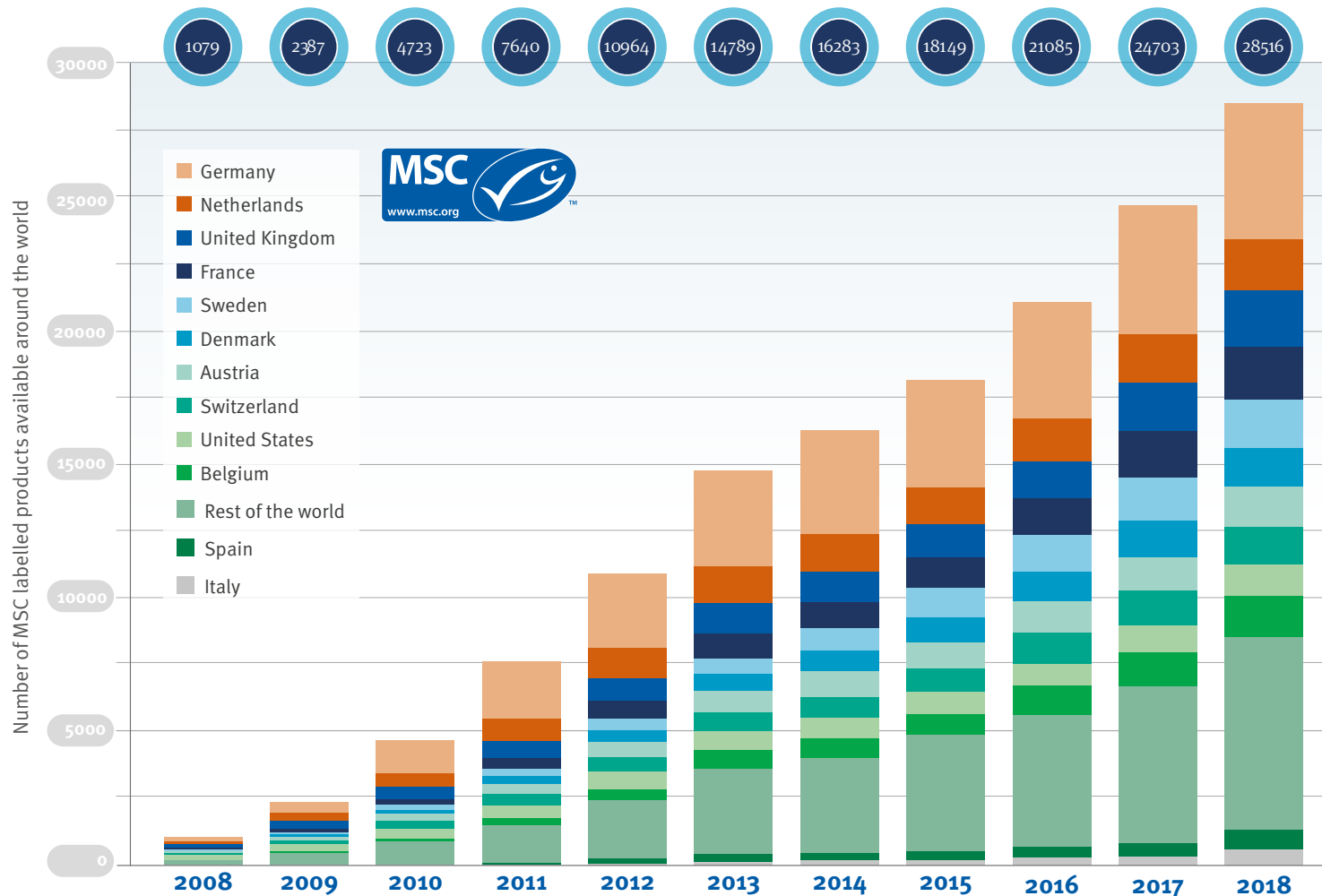
MSC ASC
labelled by 2020

co-op

20%

MSC or ASC
labelled by 2020

Number of products with the MSC label



28,520*

products on sale with the blue MSC label

912,785

tonnes of seafood sold to consumers with the MSC label

Estimated
US\$ 8.4bn**

spent by consumers on seafood with the MSC label

*Number of products defined as the global sum of products available in individual countries (Stock Keeping Units, or SKUs)

**Retail market value of consumer-facing MSC ecolabelled products, calculated by adding a global average 40% retail mark-up to wholesale values.

“ Market uptake of seafood with the MSC label started in European countries where consumers were receptive to environmental issues. Today the blue fish label can be found in all major economies. In addition to frozen, fresh and canned seafood it appears on nutraceuticals, pet food, fish meal and maybe soon even wild pearls.

Nicolas Guichoux, Global Commercial Director, MSC

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20th anniversary campaign: Keep it Wild

We used our 20th anniversary to launch our biggest ever consumer marketing campaign. Under the theme 'Keep it Wild', we worked with hundreds of partners to take our message to beaches, to cinemas, to supermarkets, to conferences, to canteens, to people's homes and their smartphones. The campaign helped grow consumer understanding of our blue label, increase our social media following and strengthen our partnerships.



The MSC's Keep it Wild video was shown extensively on TV, Cinema and social media © MSC



Schleswig-Holstein Environment Minister Robert Habeck speaking at MSC Germany's 20th Anniversary launch event © Jane Schubert / MSC



In store marketing at fresh fish counters in Finland © Alex Webb / MSC



Supermarket sampling at Sustainable Seafood Week in China © Gao Rui/MSC

21 countries

Our campaign ran in 21 countries, and activities were tailored to each market. In Denmark, Sweden, Germany and China we took over the screens in public transport hubs, and in the UK and Italy we debuted on TV. In South Africa and the US we featured in ocean film festivals, while in Poland, France, the UK, South Africa and Denmark we wowed cinema audiences, and in France and Australia we convened debates.

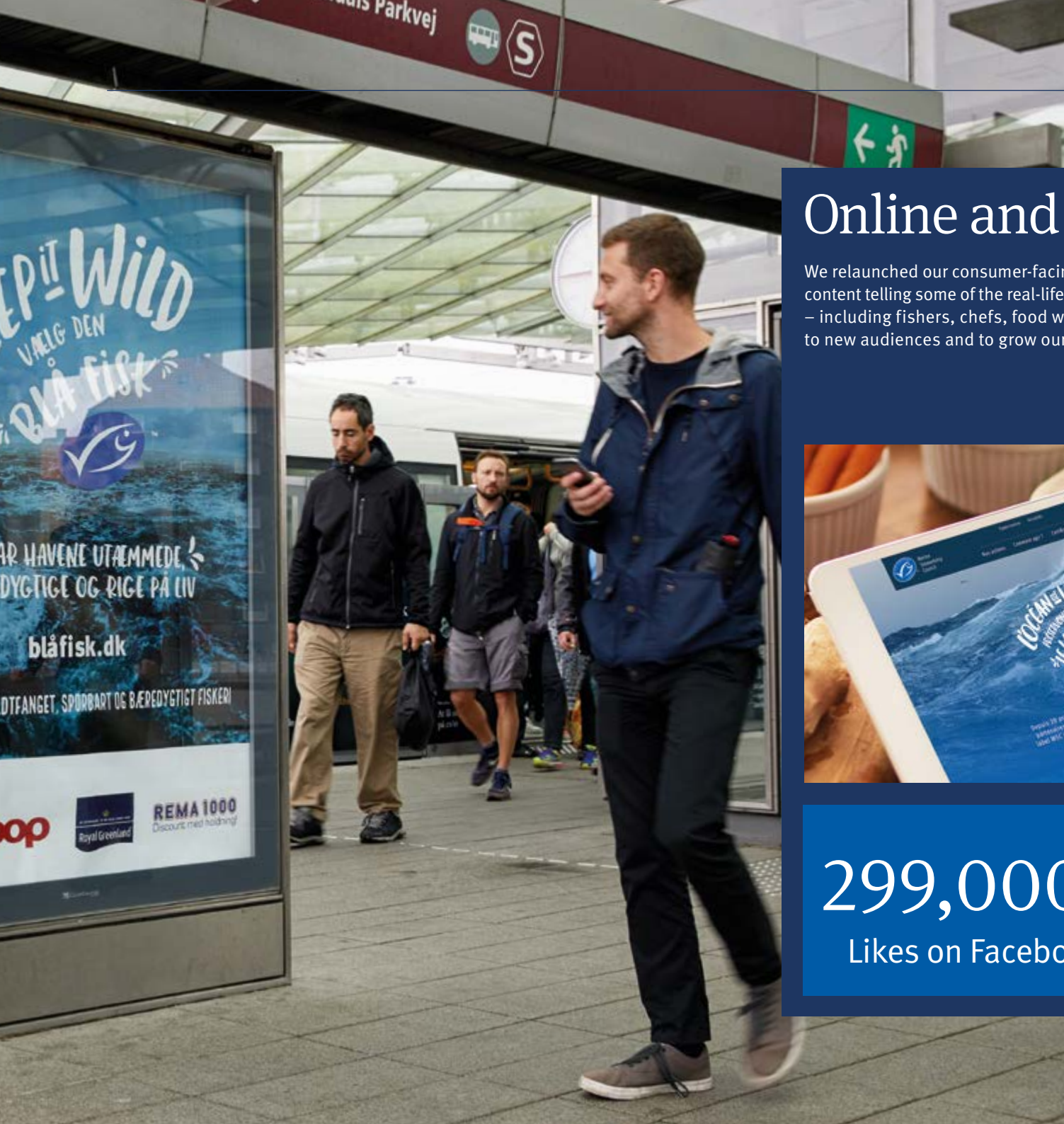
6 million

Our TV and cinema advert was viewed over 6 million times.

100+ million

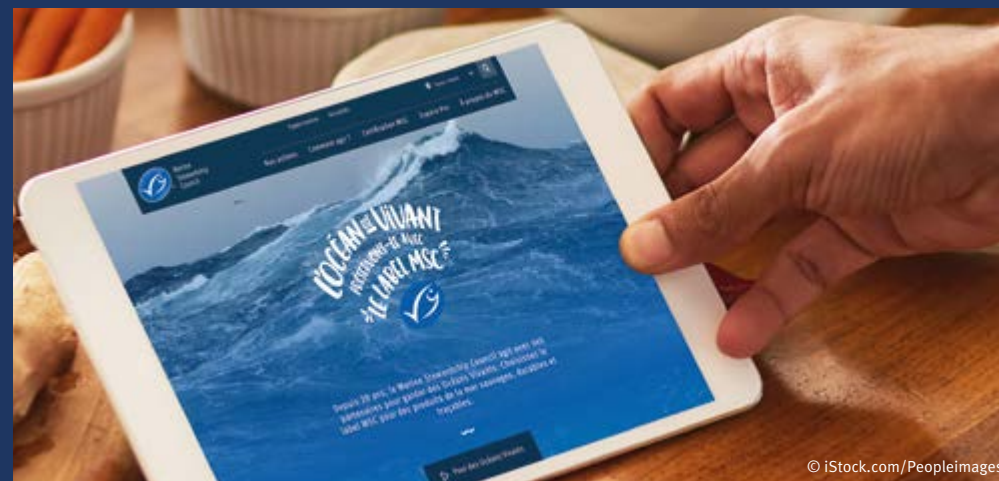
In total our campaign activities reached well over 100 million people.





Online and social media

We relaunched our consumer-facing website **msc.org** and produced videos and other online content telling some of the real-life stories behind the MSC label. Our 'Wild One' ambassadors – including fishers, chefs, food writers, scientists and surfers – helped take our message to new audiences and to grow our social media profile.



© iStock.com/Peopleimages

299,000 

Likes on Facebook

37,000 

followers on Twitter

Partner campaigns across the world



© Stephen Ironside Photograph

Sam's Club chooses sustainable fish oil

Sam's Club picked up our first US Ocean Champion award in October, recognising its commitment to sourcing 100% of its fish oil and krill oil from MSC certified fisheries. The members-only store, which has almost 600 outlets across the US and Puerto Rico, has run a number of campaigns to raise awareness of sustainable seafood, which have had a real impact on buying behaviour. In one test, certified and non-certified fish and krill oil products were sold side by side, with some simple messaging about their sustainability credentials. Even though the certified products cost slightly more, shoppers overwhelmingly chose the sustainable option.

Sainsbury's brand walls

Sainsbury's has made a public commitment to source 100% certified sustainable seafood by 2020, and has won MSC's UK retailer of the year five times. During 2017-18, MSC featured prominently on the company's "brand walls" – large in-store displays promoting the Sainsbury's core values, one of which is "sourcing with integrity". A total of 440 supermarkets and 47 convenience stores installed brand walls, reaching 8 million customers each week. In-store messages were backed up by social media, press and online communications.



© J Sainsbury plc



© Sally Bolton / MSC

Australian Zoo delivers sustainable seafood message

Taronga Zoo in Sydney has supported the MSC for many years by serving only MSC or ASC certified seafood at their food outlets, functions and events. This year, Taronga Zoo partnered with the MSC for Australia's first ever Sustainable Seafood Week. MSC ambassador, marine scientist and model Laura Wells attended the iconic seal attraction and used the week to highlight the importance of choosing seafood from sustainable fisheries to minimise impacts to sea life such as Australian sea lions and seals. The MSC sustainability message is a permanent educational feature at the zoo's daily seal show, which attracts up to 3,000 guests on a busy day.

McDonald's sustainable fishing game

In 2018, McDonald's USA marks five years as the first and only global restaurant company to serve MSC certified fish at every U.S. location. To underscore their commitment to healthy oceans and fish for future generations, and make the topic accessible for children, McDonald's, in partnership with the MSC, created "Reel It In!" – the only card game in the world that teaches the importance of sustainable fishing. The game, featuring colorful illustrations of Alaska pollock, is available to download online and helps raise awareness about McDonald's status as a Marine Stewardship Council certified restaurant using social media channels.



© McDonald's

Consumers believe in certified sustainable seafood

Consumers worldwide increasingly want independent verification that their seafood comes from sustainable sources – and more people than ever recognise and trust the MSC to provide this.

Those are some of the key findings from a comprehensive study that we commissioned into seafood consumers globally, building on a similar survey carried out two years before. Leading research agency GlobeScan surveyed more than 25,000 consumers in 22 countries, of whom 18,909 were regular seafood consumers, to understand more about their concerns and seafood buying habits.

While pollution was identified as the biggest issue facing the ocean, overfishing was consistently seen as the next greatest threat. Consumers were also concerned about other issues, including illegal fishing, and bycatch of dolphins, sharks and turtles.

Most consumers (72%) agreed that in order to save the oceans we need to consume seafood from sustainable sources. An increasing number believe that people should be prepared to switch to another type of fish if it is more sustainable (70% in 2018, up from 68% in 2016).

In a change from 2016, consumers overall put price above sustainability considerations in their seafood purchasing decisions – although women were more likely to place sustainability first. However, in a number of countries where the MSC has a considerable market presence (Germany, Austria, Spain, UK, Switzerland, Italy and Sweden), consumers still place sustainability above price, regardless of their age or gender.

An increasing proportion of consumers want to see independent verification of the sustainability and environmental

claims that brands and supermarkets make (72% this year compared to 68% in 2016). In a climate of persistently low consumer trust in business globally, trust in the blue MSC label remains high at 69%. Awareness and understanding of the MSC label have increased among the general public. Overall, 41% of consumers recognise the label (up from 37%) and 37% (up from 32%) have a good understanding of what it means. Younger people are even more tuned in: almost half of 18-34 year olds (49%) recognise the label and 41% know what it stands for.

Consumers of all ages are concerned about the future, with 83% agreeing that we need to protect fish and shellfish for future generations. And those who are aware of the MSC overwhelmingly believe we can help: 81% thought the MSC has a key role to play in ensuring our children and grandchildren can enjoy seafood.

72%

believe that to save the oceans we need to consume sustainable seafood

41%

of consumers recognise the blue MSC label

69%

trust the MSC's claims

GlobeScan surveyed **25,000** people in **22** markets: Australia, Austria, Belgium, Canada, China, Denmark, Finland, France, Germany, Italy, Japan, Netherlands, New Zealand, Norway, Poland, Singapore, South Africa, Spain, Sweden, Switzerland, UK, USA

Educating the next generation

We want to ensure healthy oceans and seafood supplies for future generations – and educating the next generation is an important part of this.

We've worked with schools before, including running education campaigns with food-service partners who provide certified seafood in school dinners. But this year we stepped up our engagement by launching a new education program.

Now live in France, the UK, Germany, the Netherlands, Sweden and Spain, it includes curriculum linked resources and lesson plans for teachers of children aged 11+.

A 15-minute film, *My dad the fisherman*, follows a fisherman's daughter as she explores why our oceans are threatened and what ocean sustainability means. The film introduces the science behind sustainable fishing, using creative animation to introduce concepts like

maximum sustainable yield. In the UK it won a Highly Commended at the Geographical Association publisher's awards 2018, which recognise resources that make a significant contribution to geography in schools and colleges.

We're excited about further developing this area, and plan to use our partnerships with zoos and aquariums to introduce new experiences for pupils.

"A professionally produced topical video with some simple to use lesson plans that ensures anyone (young or old) who watches it begins to understand the concept of ocean sustainability as well as the roles of fishermen."

Geographical Association on the MSC's *My dad the fisherman*

“In a world of increasing consumer pessimism, people are looking for messages of hope and reassurance. We are happy to see that the theme of protecting seafood for future generations resonates strongly with consumers in all 22 countries surveyed. We're also seeing that, in a low trust environment, consumers are increasingly looking to third parties to verify sustainability claims.

Abbie Curtis, Associate Director, GlobeScan

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Upholding our Standards

The MSC Fisheries Standard is a global benchmark for sustainable fishing, recognising well-managed fisheries that target healthy stocks and minimise impacts on marine ecosystems. But fisheries science is complex and evolving, and where the bar for sustainability is set is often hotly debated. We're constantly striving to ensure our Standards and assurance system remain robust and credible, meeting the expectations of diverse stakeholders while remaining practical, accessible and science-based.

Fisheries Standard 2.0

The MSC Fisheries Standard is itself continually improved to reflect widely accepted new science and best practices. Since October 2017, all fisheries seeking recertification have had to meet the more demanding requirements of Version 2.0 of our Fisheries Standard. Developed through extensive consultation, the new Standard requires stronger protection for seabed habitats, including those considered particularly vulnerable ecosystems. It also required fisheries to minimise unwanted catch and to address the cumulative effects of bycatch across certified fisheries operating in the same area.

We're already seeing certified fisheries make further improvements in order to comply with the new Standard. Norway's North East Arctic cod fishery, for example, has agreed to freeze its fishing footprint around Spitsbergen and extended a seabed mapping program to better understand these habitats and the impacts of trawl fisheries in the Barents Sea.

Reviewing the Fisheries Certification Process

The pilot for the new Fisheries Certification Process (FCP) closed this year after a round of reviews and consultations beginning in late 2015. The FCP contains the requirements that Conformity Assessment Bodies must follow when assessing fisheries against the MSC Fisheries Standard. Consultations will continue through 2018 with the aim of reducing complexity and uncertainty of a fishery assessment outcome, increasing effectiveness of stakeholder engagement and maintaining credibility and robustness. Any changes resulting from this process will come into effect in early 2019.

Peer Review College

A Standard is only as strong as the system that supports it. To ensure that

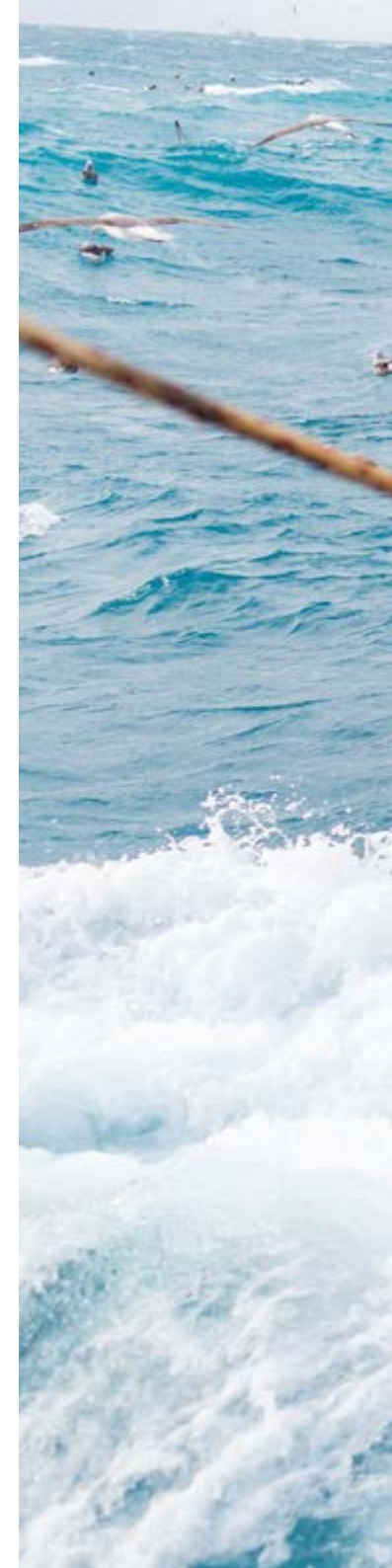
our certification system remains robust, in August 2017 we formally established an independent Peer Review College to strengthen oversight of fishery assessments. The college includes around 90 experts in marine science and fisheries management, providing additional assurance that fishery assessments undertaken by third party certification bodies are rigorous and credible.



Record keeping while processing tuna in Indonesia © Titia Sjenitzer / MSC



MSC Fisheries Standard certificate © Jane Schubert / MSC





Our funding and donors

The MSC continues to be extremely grateful for the long-term, generous support from our donors. Without their help, the MSC would not be able to fulfil our mission of ensuring oceans teeming with life, and seafood supplies safeguarded for this and future generations. As the MSC increasingly works to expand and strengthen our work globally, our donors share our vision and they are there to support us.

In particular, we would like to highlight the impact of our four largest donors: the David and Lucile Packard Foundation, Dutch Postcode Lottery, the Mava Fondation pour la Nature, and the Walton Family Foundation: their incredible support has been essential to our growth and success. In addition, many project funders have provided critical support MSC's work across the world.

Project grants from the Walton Family Foundation and Kingfisher Foundation have helped us research digital traceability in the supply chain, while the Adessium and Mava Foundations have expanded our work into the Mediterranean in France, Spain and Italy and western Africa. The Packard Foundation continues its support of our work in Japan and around data-limited modelling of fish stocks, while the Dutch Postcode Lottery has provided critical resources to support a global project in South Africa, Indonesia and Mexico. Finally, we are grateful for the support from the German development agency, GiZ, for projects in South Africa, Madagascar and Mozambique.

We would like to thank the following organisations for their support:

US Foundations

Kingfisher Foundation
National Fish and Wildlife Foundation
New Venture Fund
David and Lucile Packard Foundation
Remmer Family Foundation
Triad Foundation
Walton Family Foundation

UK Trusts and Foundations

Cecil Pilkington Charitable Trust
Swire Charitable Trust

NGOs

Resources Legacy Fund / Sustainable Fisheries Fund
WWF-China
WWF-Sweden

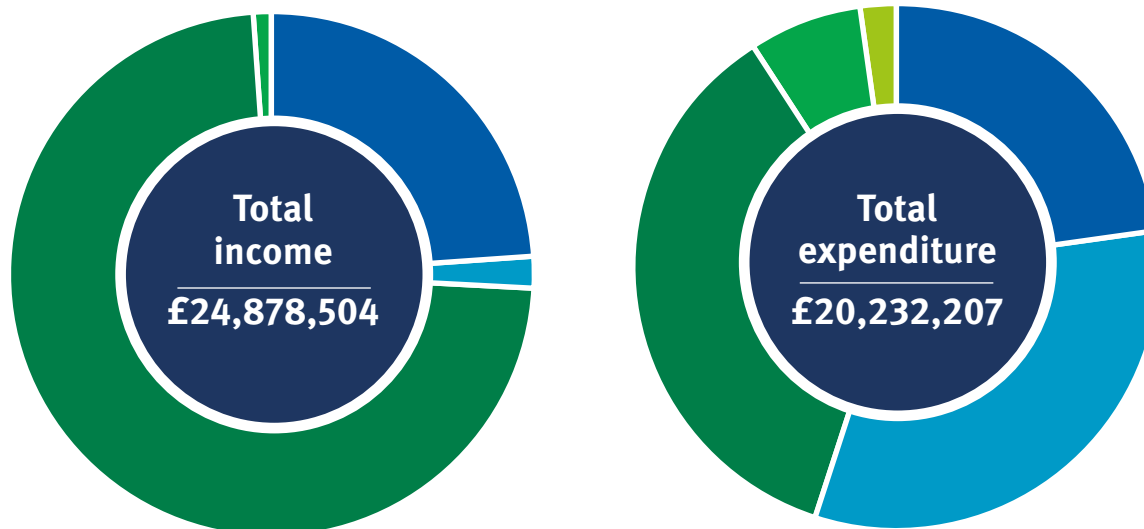
Other European Foundations

Adessium Foundation (Netherlands)
Daniel and Nina Carasso Foundation (France)
DEG (German Investment and Development Corporation)
Dutch Postcode Lottery
GIZ (German Society for International Development)
Mava Fondation Pour la Nature (Switzerland)
Nessling Foundation (Finland)
Oak Foundation (Switzerland)
Statutory European Fisheries Fund (Finland, United Kingdom)
The Swedish Institute (Sweden)
Umweltbundesamt (Germany)

Corporate

Haikui Seafood (China)
Findus (Sweden)

Our finances 2017-18



Where the money comes from

- 24% Donations and legacies
- 2% Other trading activities
- 73% Income from charitable activities (logo licensing)
- 1% Income from investments

Where the money goes to

- 23% Policy and maintenance of Standard
- 32% Education and awareness
- 36% Commercial and fisheries servicing and outreach
- 7% Logo licensing
- 2% Expenditure on raising funds

Total funds at 31 March 2018: £29,074,165

Compared with total funds of £24,892,780 on 31 March 2017.

Other gains and losses in the year not shown under income or expenditure amounted to a loss of £464,912

Report by the Trustees on the summarised financial statements

The summarised financial information is extracted from the full statutory trustees' annual report and financial statements which were approved by the trustees and signed on their behalf on 26 July 2018. An unqualified audit report was issued in relation to the full statutory trustees' annual report and financial statements by our auditors Crowe U.K. LLP on 21 August 2018.

The auditors have confirmed to the trustees that, in their opinion, the summarised financial information is consistent with the full financial statements for the year ended 31 March 2018. This summarised financial information may not contain sufficient information to gain a complete understanding of the financial affairs of the charity. The full statutory Trustees' report, financial statements and auditors' report may be obtained in writing from Finance Director, Marine Stewardship Council, 1 Snow Hill, London, EC1A 2DH, United Kingdom.

Signed, on behalf of the Trustees:

Werner Kiene,
Chair, MSC Board of Trustees
21 August 2018

Governance 2017-18

The MSC Board of Trustees

The MSC Board of Trustees is the MSC's governing body. With advice from the Technical Advisory Board and Stakeholder Council, it sets the strategic direction of the MSC, monitors progress and ensures the MSC meets its objectives.

Dr Werner Kiene
Chair

Mr Paul Uys
Chair of MSCI

Dr Simon Jennings
Chair of the Technical Advisory Board

Ms Christine Penney
Co Chair, Stakeholder Advisory Council

Mr Peter Trott
Co Chair, Stakeholder Advisory Council

Ms Lynne Hale

Mr David Mureithi

Mr Eric Barratt

Mr Jean-Jacques Maguire

Mr Felix Ratheb

Mr Jim Leape

Welcome to new members:

Ms Christine Penney and **Dr Simon Jennings**

Thank you to departing members:

Dr Christopher Zimmermann and **Mr Jeff Davis**

The Technical Advisory Board

The Technical Advisory Board advises the MSC Board of Trustees on technical and scientific matters relating to the MSC Standards, including developing methodologies for certification and accreditation and reviewing the progress of fisheries certifications.

Dr Simon Jennings (UK) Chair

Dr Christopher Zimmermann (Germany)

Dr Keith Sainsbury (Australia)

Mr Sergey Sennikov (Russia)

Mr Adam Swan (UK)

Ms Lucia Mayer Massaro (Germany)

Dr Tim Essington (USA)

Dr Victor Restrepo (USA)

Mr Alex Olsen (Denmark)

Dr K Sunil Mohamed (India)

Dr Juan Carlos Seijo (Mexico)

Dr Florian Baumann (Germany)

Ms Michèle Stark (Switzerland)

Welcome to our new member:

Mr Sergey Sennikov

Thank you to departing members:

Dr Tony Smith and **Mr Stephen Parry**

The Marine Stewardship Council International Board

The Marine Stewardship Council International (MSCI) Board provides oversight of the MSC's ecolabel licensing and fee structure.

Mr Paul Uys
MSCI Chair

Dr Werner Kiene
Board of Trustees Chair

Mr Eric Barratt

Mr Rupert Howes
MSC Chief Executive

Thank you to departing member:

Mr Jeff Davis




SEAFOOD FUTURES FORUM
Fit for the future?
How the MSC can stay the course.

Panel Discussion

 Amanda McKean, New Charitable Trust	 Tim Hightower, Lantini, Hoggen Fisheries	 Hester Salazar, Norwegian Seafood	 Amy Stewart, Seafood
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The MSC Stakeholder Advisory Council

The MSC Stakeholder Advisory Council (STAC) has evolved from the previous Stakeholder Council entity, following an independent governance review in June 2017. The STAC provides advice to the MSC Board of Trustees and input into the MSC's review processes and provides a formal channel through which stakeholders can provide their views to the MSC. It includes representatives from the seafood industry, conservation community, market sector and academia. The membership reflects diverse experiences, geographies and interests in relation to the work of the MSC.

Peter Trott

Co-Chair, Fishlistic, Australia

Christine Penney

Co-Chair, Clearwater Seafoods, Canada

Yumie Kawashima

Aeon, Japan

Louise Heaps

WWF, UK

Agathe Grossmith

Carrefour, France

Heather Brayford

Government of Western Australia, Department of Primary Industries and Regional Development, Australia

Carmen Revenga

The Nature Conservancy, US

Darian McBain

Thai Union, Thailand

Johann Augustyn

SADSTIA, South Africa

Ivan Lopez

Pesquera Ancora, Spain

Marco Quesada

Conservation International, Costa Rica

Yorgos Stratoudakis

IPMA, Portugal

Rory Crawford

Birdlife International/RSPB, UK

Stefanie Moreland

Trident Seafoods, USA

Tor Larsen

Norwegian Fishermen's Association, Norway

Amanda Nickson

The Pew Charitable Trusts, USA

Aditya Utama Surono

MSC extends its condolences to the family and friends of Stakeholder Advisory Council member Aditya Utama Surono, who sadly passed away in August 2018. Aditya's passion for sustainability and contribution to the MSC program will not be forgotten, and he will be greatly missed personally and professionally.



MSC staff at a Commercial and Marcomms workshop in London © MSC

“THANK YOU”
TO ALL
OUR STAFF

“The MSC is a steadily growing network of talented and inventive people with diverse skillsets working closely with our many stakeholders and partners. They, along with the partners that support the MSC’s mission, are the greatest asset we have. The Board and executive team value their passion and individual contributions and would like to thank them for another successful year of helping protect our oceans for future generations.

Rupert Howes, Chief Executive, MSC

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Share with friends and colleagues

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All data in this report is correct as of 31 March 2018, unless otherwise stated.
The reporting year is 1 April 2017 to 31 March 2018.

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Find out more:

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