



Summary of Changes

Chain of Custody Standards: Program release 2019

Summary of Changes

The MSC has updated the Chain of Custody (CoC) Standard and auditing requirements. These updates improve clarity, accessibility and integrity of the Standard where needed, and assure against potential forced and child labour violations in the supply chain.

This document provides a summary of changes to the following MSC program documents:

- ✓ [MSC Chain of Custody Standard: Default Version 5.0](#)
- ✓ [MSC Chain of Custody Standard: Group Version v2.0](#)
- ✓ [MSC Chain of Custody Standard: Consumer-Facing Organisation Version v2.0](#)
- ✓ [MSC Chain of Custody Certification Requirements v3.1](#)
- ✓ [General Certification Requirements v2.4.1](#)

When do these changes become effective?

The new CoC Standards will come into effect six months after their publication.

28 March 2019

28 September 2019

From 28 September 2019 onwards, your audits will be against the new version of the CoC Standard.

All audits before 28 September will be to the previous Standard.

The new CoC Standards can be found on the [MSC website](#).

These reviews are part of a regular cycle that incorporates feedback from stakeholders and aligns the MSC CoC Standard to industry best practice.

If you have any questions, please contact your local MSC office at www.msc.org/commercial-contacts

How does the MSC review its Standards?

An issue is raised by a stakeholder or the MSC.

Issues are reviewed by the MSC and some are prioritised for development. The MSC puts forward revisions in public consultations where industry experts, supply chain businesses and users of the Standard are invited to feedback and help inform the program improvements.

The issues and potential solutions are discussed by two groups:

- The MSC Technical Advisory Board, an independent body of scientists and experts
- The Stakeholder Advisory Council, a council of MSC's stakeholder groups and representatives.

These two groups provide advice and make recommendations to the MSC Board of Trustees on whether to adopt the proposals. The MSC Board of Trustees make the final decision on the proposals.



The MSC Chain of Custody Standards

These changes apply to all versions of the Chain of Custody Standard.

What has changed?

Correct labelling of species and origin

All certified organisations must have a system in place to assure that claims of certified product species, catch area or origin are accurate. This means that origin, catch area or species labelling needs to be aligned with the relevant legislation in the country or countries in which the product is traded.

In most cases certified organisations will already have the necessary systems in place. The change is that the auditor will now check these systems and where there is any evidence of mislabelling have a clear mechanism to raise a non-conformity.

Buying directly from certified fisheries or farms

We have added guidance for organisations buying directly from certified fisheries or farms, including:

- How to verify if the fishery or farm also requires a CoC certificate to be eligible to sell product as certified.
- That a certified organisation might use antibiotic tests on products received directly from an ASC certified farm as part of their goods in verification.
- Products received from an ASC certified farm but found to contain antibiotics which are excluded from use on certified product by the ASC farm standard are non-conforming.

Verifying the certified status of a supplier

We advise to always check certified status of suppliers for MSC products on the MSC website (msc.org) and for ASC products on the ASC website (asc-aqua.org). These websites are more accurate than relying on paper certificates, which may be cancelled, suspended or withdrawn before expiring.

Requesting records or samples

If you are using transport subcontractors, you need to have the ability to request certified product records and allow certification bodies and the MSC access to all certified products and premises if requested.

We have reduced the time for certified organisations to provide traceability records to the MSC or designated agents from ten to five days from date of request. An extension can be allowed where a written request is approved by MSC or the relevant designated agent.

The ASC has been clarified as a designated agent of the MSC, and as such is able to request records relating to ASC products or sample ASC products for product testing.

Under-assessment product

Certified organisations now need written approval from the certification body before handling products that are still under MSC fishery or ASC farm assessment but eligible to be sold as certified once the fishery or farm is certified. Only organisations that are part of a fishery client group or the same legal owner as a farm being audited can be considered for approval.

The MSC Chain of Custody Standard: Consumer-Facing Organisation Version 2.0

The Consumer-Facing Organisation (CFO) Version applies to organisations serving or selling certified seafood to the final consumer such as caterers, restaurant chains and retailers with fresh fish counters.

What has changed?

Eligibility for CFO with multiple sites

The expectations of a common management system and the central office's responsibility are now more explicit. Previously, the central office controlled the purchase of certified seafood. It is now clarified that purchasing can be done at site level, as long as the central office has oversight.

Traceability at sites

Traceability at a consumer-facing site should be demonstrated from the point of sale or serving back to a certified input, which can either be a certified supplier or certified receipts/deliveries.

Reporting changes

You need to inform your certification body within 10 days if the total number of your sites increases by more than 25% since the previous audit (this is a reduction from 50% in the previous Standard). Approval from your certification body is required when adding a new site that operates in a new country and any operations sites that process, pack, or re-pack certified products.

Audit of storage and distribution sites

At least one operations site which is only involved in storage or distribution (such as depots or warehouses) needs to be audited during the certificate's three-year validity.

Increased sampling on consumer-facing sites

The sample number and calculation of audits for consumer-facing sites have been increased. This is to improve coverage of site auditing relative to the total number of sites on a certificate, to ensure better conformity to the MSC CFO Standard.

The MSC Chain of Custody Standard: Group Version 2.0

The Group Version is intended for organisations with multiple locations. The group designates a central office function that establishes internal controls and is responsible for site compliance. Originally intended for one organisation with multiple sites and common management system, it is increasingly being used by independent entities grouping together under one group certificate.

The MSC has fixed inconsistencies and clarified requirements in the new Group Standard.

What has changed?

Mandatory internal on-site audit

The MSC has clarified that an internal on-site audit is mandatory before adding a new site to a group certificate. This is for groups that are not under one common management system, such as groups of independent organisations.

Simpler processes for non-conformities

Not every non-conformity at a site level needs to be raised against the group's central office anymore. Instead, the certification body will determine if the site level non-conformity is based on poor group management or if it appears to be systemic. If it is systematic, the site level non-conformity will be raised against the group's central office.

The MSC has also clarified the process for non-conformities found during internal audits.

Changes to the auditing process

The CoC Certification Requirements 3.1 and General Certification Requirements 2.4 contain the mandatory requirements for certification bodies to audit against all three CoC Standards.

What has changed?

Suspensions and non-conformities

For multisite certificates, a suspension can be applied to just one or some of the sites if the certification body determines the reason for suspension to be site specific and does not impact other sites or the entire certificate.

If a minor non-conformity is not corrected within the specified timeframe, certification bodies will need to regrade the non-conformity as a major non-conformity and organisations will have 30 days to correct it.

Traceability

For all consumer-facing operations, traceability is tested from the point of sale or serving back to a certified supplier. Sales records are no longer needed. This aligns the Default and Group Standard with the existing requirements of the Consumer Facing Organisation (CFO) Standard.

New scope categories

Trading fish meal, trading fish oil or conducting manual offloading are now considered separate scope activities. If you carry out any of these scope activities, you will need to advise your certification body before 28th September, so they can consider these activities for approval and add them to your scope when the new requirements come into effect.



Complying with requirements on forced and child labour

The MSC and ASC have introduced changes to the Chain of Custody program to provide greater assurance that MSC/ASC products are not associated with forced or child labour. This means that you may need a labour audit as part of your Chain of Custody certification.

You will need a labour audit if your Chain of Custody (CoC) scope activities include processing (including contract processing and use of a contract processor), packing or repacking or manual offloading from a certified source **unless** your country is lower risk according to two or more of the following indicators:

- [Country Risk Assessment Process for SA8000](#)
- [International Trade Union Confederation Global Rights Index](#)
- Ratification of five or more UN conventions on forced or child labour, human trafficking or seafood/fishing ([C188](#), [C105](#), [C182](#), [C29](#), [Protocol to C29](#), [Palermo Protocol](#), [UN Slavery Convention \(1926\)](#)), [UN Supplemental Slavery Convention \(1956\)](#), [Port State Measures Agreement](#))
- [US Department of Labor List of Goods made with incidence of forced and child labor](#)

Your auditor will inform you of your country’s risk before the day of your CoC audit.

If you do need a labour audit, the audit needs to:

- be on-site
- be done by an independent, third-party auditor
- be one of the labour audit programs recognised by the MSC
- meet the performance criteria of the relevant labour audit program.

Labour audit programs recognised by the MSC	Within these programs, you will have to meet these performance criteria
Amfori Business Social Compliance Initiative	No Zero Tolerance issues found at the audit
SEDEX SMETA	No Business Critical Issues found at the audit
Social Accountability International’s SA8000	A valid SA8000 certificate

Zero Tolerance and Business Critical issues are serious labour issues that require immediate action. This may include a breach of local law which presents a critical breach of workers’ human rights or a flagrant human rights violation. You can find out more about the [amfori BSCI Zero Tolerance Protocol](#) and the [SEDEX-SMETA Non-Compliance Guidance](#) on their websites.

You will need to follow the audit schedule set by the labour audit program you choose. The audit might be every six months, year or two years.

Why did the MSC choose these labour audit programs?

The MSC chose to recognise these programs because they are:

- globally recognised
- commonly used in the seafood industry.

How did the MSC choose the risk scoring indicators?

The MSC conducted extensive external consultation to ensure the risk scoring indicators were appropriate, effective and efficient. The indicators were selected because they are:

- globally recognised
- commonly used in risk assessment methodologies in the seafood industry
- have a transparent methodology
- preferred by stakeholders
- specific to forced and child labour and/or seafood, where available.

How will you demonstrate to your Chain of Custody certification body that you comply with the relevant programs?

To show that you comply with the relevant labour audit programs, you may be asked to provide a certificate to your certification body. You may also need to log onto the program's platform or portal.

Social compliance audits and access to this platform may be the responsibility of another individual at your company. If this is the case, you need to make sure that person is available on the day of CoC audit to show the labour audit findings.

What happens if you do not comply?

If at any point you do not meet the labour performance criteria in the CoC Standard (for example a Zero Tolerance Issue is found during your amfori BSCI audit), then you must inform your certification body within two working days. You will then have 30 days to address the issue to maintain your CoC certificate.

Grace period

The MSC/ASC recognises that labour audits can take time and effort to plan. For this reason, we have a grace period for companies.

At your first audit against the new CoC Standard (whether initial, surveillance or recertification) you do not need to complete a labour audit. You will simply be asked to [sign a statement](#) that you agree to complete the labour audit by your next audit.

This means you will have around 12 months from the date of your first audit against the new CoC Standard to complete the labour audit.