

# Get Certified

Your guide to the MSC and ASC Chain of Custody certification process

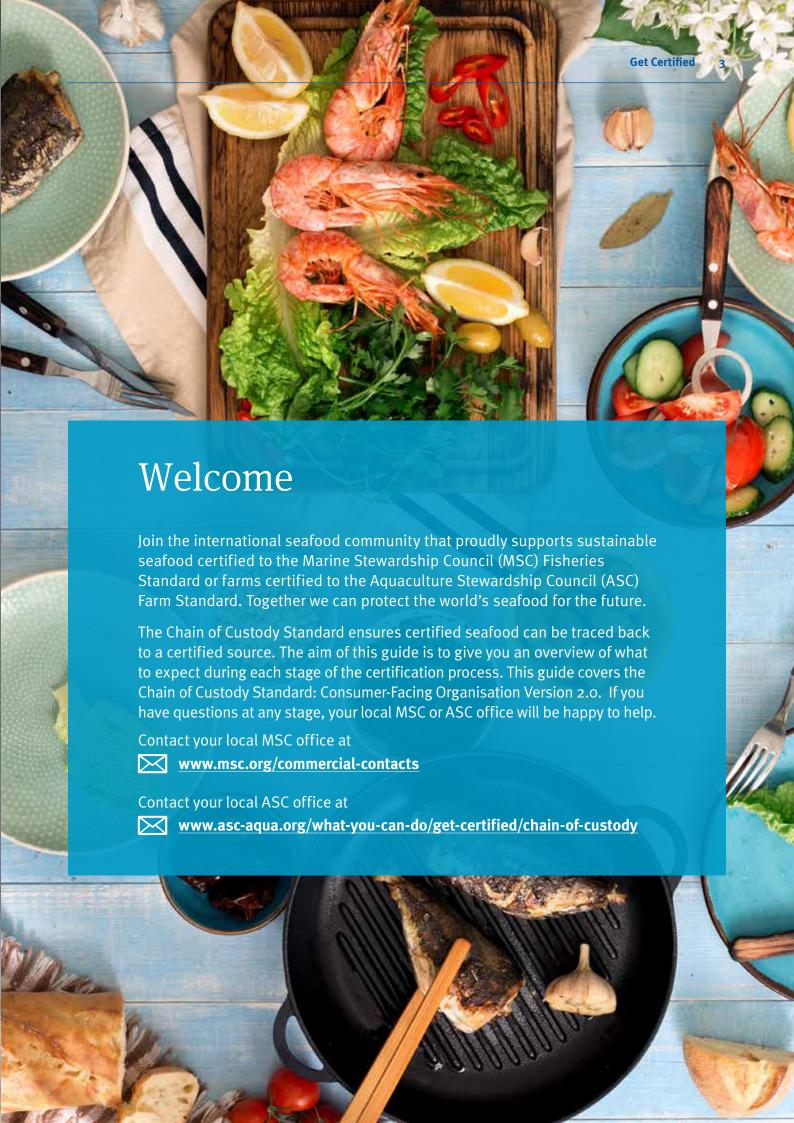
#### **Consumer-Facing Organisation version**

For retailers, restaurants, caterers and fresh fish counters of any size looking to sell MSC or ASC certified seafood directly to final consumers.

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# The Chain of Custody Standard: Consumer-Facing Organisation Version has five principles



#### Principle 1:

Companies must purchase certified product from a certified supplier



#### Principle 2:

Certified products are clearly identifiable



#### Principle 3:

Certified products are separated from non-certified



#### Principle 4:

Certified products are traceable and volumes are recorded



#### Principle 5:

Your management system addresses the requirements of the Chain of Custody Standard

### Do you need certification?

The Chain of Custody Standard is a traceability and segregation standard that is applicable to the full supply chain from a certified fishery or farm to final sale.

The Chain of Custody Standard has three versions to meet the needs of the diverse range of supply chain businesses. This guide relates to the Consumer-Facing Organisation version of the Standard, which has been designed for companies at the end of the supply chain. You can find out about the other two versions of the standard (Default and Group) on the MSC website.

The Consumer-Facing Organisation version is for businesses selling directly to consumers. This version of the Standard can be applied to restaurants, caterers and retailers with fresh fish counters.

## Businesses with one or multiple sites are eligible for Consumer-Facing Organisation certification if:

- All sites are under the control of the same management system, which is maintained by your company's head office.
- Your head office has an ownership or franchise relationship with each site, or a temporary right to manage all sites and staff.
- Your head office has oversight of seafood purchases, ensuring all sites can only order certified seafood from certified suppliers.

## Businesses that process and repack product are eligible for Consumer-Facing Organisation certification if:

- Processing and repacking are done exclusively for your company.
- Contract processors or repackers are independently certified and have their own Chain of Custody certificate.

## An example of a business eligible for Consumer-Facing Organisation Chain of Custody certification:

A catering company provides foodservice on trains. The company's head office purchases certified sustainable tuna from a certified supplier. The company owns and runs a packing site, which only packs for facilities they provide foodservices to.

#### Businesses not eligible for Chain of Custody certification:

- A company that has been successfully prosecuted for a forced or child labour violation in the last two years.
- A company whose certificate was withdrawn for a breach of chain of custody in the last two years.
- A company whose certificate was suspended in the last six months.
- Enhanced fishery or farm operations that are out of scope of the MSC Fisheries
   Standard or the ASC Farm Standard.

#### When Chain of Custody certification is not needed:

- If your company buys pre-packed, labelled certified products that will be sold to the end consumer without being opened, re-packed or re-labelled. Such items are known as consumer-ready tamper-proof products. Retail packages of frozen fish fingers or tins of smoked mackerel fillets are examples of consumer-ready tamper-proof products.
- Your company buys certified products but does not wish to sell these on as certified. In this case the chain of custody is broken and your customers may not make any claims about the product being certified.
- Your company does not take legal ownership of certified seafood. This may be the case if your company provides contracted services for certified companies and therefore can be covered by your customer's Chain of Custody certificate as a subcontractor.



There are five steps to Chain of Custody certification:



The Chain of Custody certification process, from application to the awarding of a certificate, is managed by an independent and accredited certification body. The certification body will appoint an auditor who will become your most frequent contact throughout the certification process.

If you already have audits for other programs (for example, programs recognised by the Global Food Safety Initiative), it is worth checking with your certification body to see if they can introduce the Chain of Custody audits into your existing auditing schedule.

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Preparation and good project management are key to ensuring a smooth, timely and cost-effective certification. It is important to designate a member of staff or a project manager who will take responsibility for managing the certification process. This Chain of Custody contact person will liaise with the certification body and should familiarise themselves with this guide and the Chain of Custody Standard.



#### **Step 1** Choosing a certification body

The role of a certification body is to provide an independent, third-party evaluation of your company's chain of custody procedures and to appoint an auditor.

The first step is to choose a certification body that operates where your company is based. All certification bodies are approved by <u>an independent assurance body</u>.

We recommend that you approach more than one certification body for a quote. The total cost for full certification service is likely to include travel costs, audit fees and possibly other charges. Make sure you get a long-term picture of the cost structure. The MSC and ASC cannot influence the cost of certification, nor does the MSC or ASC receive any of this payment.

#### To quote on your certification, certification bodies may ask: -------

- If your company meets the eligibility criteria for the Consumer-Facing Organisation version of the Standard.
- Details about your company's internal systems and processes to determine your risk level.
- Which seafood species you want to buy and sell as certified.
- What activities you perform with the certified seafood (for example packing, processing or trading).
- If you have any certified suppliers.
- Where your company is based and how many sites it has.
- If your company has more than one operating site, (e.g. a storage warehouse or central kitchen) and if any sites sell or serve to the final consumer.
- If you intend to use subcontractors to process, pack, transport or store certified seafood.

Once you accept a quote, the certification body will send you a contract.



#### **Step 2** Preparing for the audit

The audit can be simple and straightforward if you have a clear plan of what needs to be done, by whom, and by when.

#### **Training staff**

It is your company's responsibility to ensure that all responsible personnel understand their role in maintaining chain of custody and product integrity, as required by Principle 5 in the Chain of Custody Standard. The Standard defines responsible personnel as those who ensure the organisation's conformity with chain of custody and make decisions or carry out procedures that can affect the integrity of certified seafood.

Your company may be able to incorporate specific Standard training into an existing staff training program.

Training can take any format: in-person, online, on paper and can be delivered by anyone who knows (or can learn) about the requirements. It is important to keep records of your staff training program. Check with your local MSC office for training material in your local language.

The MSC and ASC have produced three training videos that can be used by companies to help train their staff on Chain of Custody certification while working in fish counters or in food service: visit msc.org/en-us/coc-training

#### Site list

Your site list shows the sites you want to include in your certificate, and details:

- a designated contact
- a site address
- if it is an operations or consumer-facing site (or both).

Your certification body will request this site list before the initial audit, so they can calculate the number of sites to visit.

#### **Pre-audit checklist**

Use the MSC pre-audit checklist to determine how much of the Standard your company currently meets without having to make any changes, and where you need to adjust your operations.

If you need to include new processes, procedures and systems to meet the Standard make sure these are working before your audit. Even if no changes were made, it's a good idea to conduct a practical, on-site check before scheduling an audit.

#### Scheduling your audit

When scheduling a date for the audit, bear in mind it may require booking in advance, depending on the auditor's availability. Also remember to request your preferred language for the audit.



#### Step 3 The audit

The aim of all Chain of Custody audits is to check whether your company meets (or continues to meet) the Standard.

The auditor will be looking for evidence that demonstrates the effectiveness and durability of the procedures, processes, systems and training your company has in place to fulfil the requirements of the Standard. The auditor will ask to review documents or records, interview staff and see your process in action.

#### **Audit location**

All central office audits and site visits will take place at the premises.

If your company operates out of more than one site and intends to have multiple sites under the same certificate, the auditor will visit the central office, all operation sites that are processing and/or packing, and a sample of warehouse and consumer-facing sites. The auditor will calculate the number of sites to audit.

#### **Audit duration**

Factors determining the duration include the complexity of your operations, your activities related to certified seafood and the number of species you intend to buy and sell as certified.

The duration of the central office audit and site visits will vary depending on whether your company is scored as standard risk or low risk by the certification body.

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It's common for companies to have not bought any certified seafood by their initial audit. In this case, the auditor looks at similar products to evaluate the measures you have in place to identify, segregate and trace seafood.

#### **Risk score**

Your certification body will assign your company a risk score during the audit planning stage, which is based on the number of sites, the number of certified species and other factors.

The risk scoring affects three auditing elements at consumer-facing sites as seen in the table below, of which the first two affect the time your auditor requires on-site.

Table 1: Risk-based auditing elements for consumer-facing sites

Audit element	Low risk	Standard risk
Seafood samples collected for DNA testing	Not collected	Collected at surveillance and recertification audits (not at initial audits)
Number of traceability tests conducted (from the point of sale/serving back to a certified supplier)	One traceability test per consumer-facing site visited	A minimum of two traceability tests per consumer-facing site visited
Percentage of site visits conducted at short notice (no more than 48 hours advance notice of which sites are going to be visited)	10% or a minimum of 1 site if fewer than 10 are visited	100% of sites visited (unless short notice access is impossible)



#### During the audit, the auditor will:

Check				
	The measures taken by your company and any subcontractors to segregate, identify and prevent mixing between certified and non-certified seafood.			
	The permission to use the MSC label and ASC logo by asking for proof of approved packaging designs covered by a valid licence agreement, see page 17 for more information.			
	Non-certified ingredients used have been correctly calculated (where applicable).			
	Your Labour Risk Score and whether a labour audit is required.			
Review	v			
	The management system/s for each activity in scope (for example retail to consumer, storage).			
	The records showing purchase, receipt and physical handling of certified species.			
	The training records of responsible personnel and the training material is up-to-date.			
Interv	Interview			
	At least one responsible personnel at each site visited on their competency, understanding and application of the chain of custody procedures (for example the auditor may ask members of staff to explain their role to prevent mislabelling of seafood product).			
Verify				
	Any product served, sold or labelled as certified back to a certified purchase or delivery, including product movement through any operations site. This is called a traceability test.			

#### Time limit

For short notice audit visit, the auditor shall notify you not more than 48 hours in advance prior to the specific visit. During the audit, the auditor will set a time limit for your company to provide records.

#### **Audit closing meeting**

At the end of the audit, the auditor will call a closing meeting to summarise their findings. They will also confirm that the scope, supplier and subcontractor list is correct and that you know when to inform the certification body of any changes to your certificate.



#### Step 4 After the audit

Your auditor will send you a summary of all audit findings within 10 working days that will detail any non-conformities raised by the auditor.

#### **Non-conformities**

An auditor can raise a non-conformity when they find a deviation from any of the requirements in the Chain of Custody Standard. You will be given a specified timeframe to review the findings and decide how to address them.

#### **Required actions Minor non-conformities** Send the certification body an effective action plan Where your company with corrective actions and timeframes to address does not comply with the them. Chain of Custody Your company will not be certified until the action Standard, but the plan has been sent and agreed by the certification integrity of the chain of body to be effective. custody is not jeopardised. **Major non-conformities** Send the certification body an effective action plan Where your company with root cause analysis, corrective actions and does not comply with the timeframes to address them, in order to close-out or Chain of Custody downgrade the non-conformity within 90 days of the Standard, and the initial audit. integrity of the chain of If this cannot be done, your company will need to custody is jeopardised. have another initial audit.

#### **Examples of non-conformities**

- If certified seafood is mislabelled.
- If your auditor finds your staff show insufficient knowledge and understanding of their role related to the Chain of Custody Standard that could compromise product integrity.

#### **Determining certification**

Your certification body must decide if they grant certification within 30 days of the audit or within 30 days of receiving evidence that leads to the closure or downgrading of a non-conformity. The certification body will send you a finalised version of the audit report within 10 days of this decision.

Where necessary, you will be asked to sign off some sections of the audit report to confirm its accuracy. Your certification body will then upload information to the MSC/ASC database covering scope, subcontractors, suppliers, audit date, the final audit report, your certificate and unique chain of custody code.

#### Congratulations, you're certified!

Once certified, your status should appear as valid on the <u>MSC Find a Supplier directory</u> and/or <u>ASC Find a Supplier directory</u>. You can now officially sell MSC and/or ASC certified seafood.

The MSC and ASC Find a Supplier directories are the official sources of certificate validity. Companies that do not appear with a valid Chain of Custody certificate status on these directories cannot be used as a certified supplier. The audit report and confidential information will not be displayed on the MSC and ASC Find a Supplier directories.

#### Understanding your Chain of Custody certificate:

- Certificate scope: Your certificate's scope will include the certified species handled and the activities carried out in relation to certified seafood. Scope activities are defined in a table at the end of this guide.
- Products in scope: Not all your seafood products need to be MSC certified to proceed with Chain of Custody certification.
- Sites in your certificate: Every location that is taking physical possession or legal ownership of certified product must be included in the certificate. These locations (facilities, plants, warehouses, offices) are called sites in the Standard.



# **Step 5** Using the MSC and ASC trademarks to sell certified seafood

The MSC and ASC labels are an effective tool to communicate sustainability to seafood consumers. Your company must sign a licence agreement if you wish to use any of the MSC's and/or ASC's trademarks on any materials that will be seen by the end consumers or by business customers for promotional purposes.

The licence agreement may be signed while your company is applying for certification or after your first audit. This enables your company to acquire high-definition files of the MSC label and/ or ASC logo to use in packaging design. In addition to signing a licence agreement, your company will have to submit the packaging designs and a completed <u>Product Approval Form</u> for both the MSC and ASC containing information about the product you intend to sell with the MSC and/or ASC trademarks. If you are using the ASC logo for business-to-business trading, you will also need approval. You do not need approval if you use the MSC and/or ASC acronyms for traceability, identification or internal training purposes.

Visit www.msc.org/msc-label or www.asc-aqua.org/our-logo for more information





#### Surveillance audits

Surveillance audits are annual for all Consumer-Facing Organisation certificates. They can be moved forward or back by three months around the due date so that you and the auditor can schedule a date that is convenient for both parties.

#### **Number of site visits**

The number of sites visited at surveillance audits may be different to the number visited at your initial audit.

There is a small chance that your company will receive an unannounced audit. Each certification body must conduct unannounced audits for at least 1% of their clients. If this happens, you will not be given notice of which day the audit will occur (but you will know the six-month window before surveillance is due). In this case, it automatically counts as your next scheduled surveillance audit.

#### Non-conformity at surveillance

During the surveillance audit, the auditor may raise a nonconformity where there is a deviation from the Standard. In this case, your company is required to take the following actions:

Minor non-conformities	Major non-conformities	
Must be addressed by the next scheduled audit.  If the auditor finds the same minor non-conformity at the next audit, they will raise the grading to a major non-conformity.	Send the certification body an effective action plan with root cause analysis, corrective actions and timeframes to address them. In order to close-out or downgrade the non-conformity, the corrective actions have to be implemented within 30 days of the audit.	
	If this cannot be done, your certification body may suspend your certificate.	
	Importantly, any major non-conformities always trigger a follow up site visit within 90 days of the audit. This is so the auditor can check that the action plan has been effectively implemented at the site(s) where the non-conformity was found. If your company has more than six sites included in your certificate, the auditor will visit the site(s) where the non-conformity was detected, plus one other site.	

#### **Certificate suspension**

The non-conformity grading system gives your company warnings and opportunities to implement improvements to avoid a certificate suspension. If there has been a breach of product integrity or the chain of custody, there is cause for immediate action.

A certificate can be suspended for any of the following reasons:

- There is a demonstrable break in the chain of custody caused by the company's actions or inactions.
- The company has sold non-certified seafood as certified (an isolated incident of accidental mislabelling or substitution found at audit may only be graded as a major non-conformity, not necessarily cause for suspension).
- The company cannot prove that seafood sold as certified is in fact certified.
- The number of major non-conformities has exceeded the threshold (ask your auditor to show how this was calculated).
- The auditor has raised a major non-conformity against the same clause during a follow up
- The company has not addressed a major non-conformity within **30 days.**
- The company does not agree to surveillance or re-certification audit within the necessary timeframes.
- The MSC International (MSCI) has withdrawn a company's licence agreement and the company has not complied with MSCI instructions in the given timeframe.

Regardless of the cause, from the day of suspension product cannot be sold as certified and your company cannot make any claims regarding certification.

For a suspension to be lifted, a corrective action plan must be submitted, and is subject to acceptance by your certification body.

#### What to do when non-conforming products are found in your company?

Where your company finds mislabelling or non-conforming product and reports it to the certification body, the certification body will not suspend your certificate if you followed the non-conforming product procedure correctly, as this shows that you are willing to maintain product integrity. If the mislabelled or non-conforming product recurs, your company may be suspended.

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A certificate can become invalid at any point, if a company is found to have been successfully prosecuted for violations of laws on forced or child labour in the last two years.



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 directly from a certified fishery or farm **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 auditor 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 auditor. 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.



# Staying in touch with your certification body

Although most communication with your certification body will relate to your audit, there are times you need to contact them outside of your audit schedule.



#### Informing your certification body about changes

You will need to inform your certification body if you:

- Find non-conforming product (within 2 days).
- Receive a new certified species (within 10 days).
- Receive certified product from a new supplier (within 10 days).
- Add more than or equal to 25% of new sites since your previous audit (within 10 days).
- Appoint new staff as your Chain of Custody contact person (within 10 days).
- Failed to meet the labour performance criteria in the Chain of Custody Standard (for example a Zero Tolerance issue is found during your amfori BSCI audit) (within 2 days).
- Change certification body.
- Complain about your auditor or certification body.

Request written approval from your certification body if you plan to:

- Undertake a new activity that is not already in your certificate's scope.
- Use a new contract processor or packer for certified seafood.
- Buy product certified to a program that shares the Chain of Custody Standard (e.g. ASC).
- Add new processing/packing sites.
- Add new sites that operate in a new country.

**Table 1:** Scope activity definitions: Your company's activities will be classified in your Chain of Custody certificate. The most common activities and definitions are listed below:

#### Trading fish (buying/selling)

This is likely applicable to all companies, except for subcontractors that do not take legal ownership of certified product.

#### Storage

Companies that hold certified product in a storage area.

#### **Transportation**

Companies responsible for the transport of certified product they legally own.

#### **Distribution**

Companies that receive sealed containers, pallets, etc. of certified product that they do not legally own, that may or may not be broken down into smaller units and deliver them to customers or other members of their group.

#### Wholesale

Companies that receive sealed containers, pallets, etc. that they legally own and sell to customers or other members of their group.

#### Packing/repacking

When the packaging is changed but the product remains the same.

#### **Processing**

Includes primary or secondary processing, value added processing, fish preparation or any other activity where the product is changed (except for 'retail to consumer' and 'restaurant/take away to consumer').

#### **Contract processing**

Any certificate holder that carries out processing on behalf of the legal product owner (does not legally own the seafood).

#### **Use of contract processor**

Any certificate holder that uses a non-certified contract processor to process, repack or transform certified product on their behalf.

#### Retail to consumer

Where the product is purchased, taken away and prepared by the consumer. This includes fish counters at retailers, fish mongers, and markets selling directly to consumers.

#### Restaurant/take away to consumer

Any foodservice situation where the product is prepared on-site and sold directly to consumers.

# The Chain of Custody Standards

	Default Version	Consumer-Facing Organisation Version	Group Version
Who is it for?	For single or multi-site organisations trading certified seafood, such as a trader operating from one office or a processor with several factory locations.	For retailers, restaurants, caterers and fresh fish counters of any size looking to sell certified seafood directly to final consumers.	For organisations with a central office and many locations distributing, processing or trading certified seafood such as co-operatives, franchises and vertically-integrated companies.
Record keeping	Records must be kept for 3 years or longer if the certified product's shelf life is longer.	Records must be kept for 18 months.	Records must be kept for 3 years or longer if the certified product's shelf life is longer. The central office/group manager must keep an up-to-date site register.
Audit frequency	All sites have a regular audit. Audits can be onsite or remote at a frequency of 12 or 18 months, depending on risk level of business.	The central office, operations sites and a sample of consumer-facing sites are audited onsite annually. Depending on the CFO's risk level, a certain percentage of sites will be audited at short notice (48 hours).	The central office/group management and a sample of sites are audited onsite annually. The sample size depends on the risk level of the group.
Non- conformities at audits and suspension rules	All sites can have non-conformities raised against them. All sites can be suspended from the certificate separately.	Non-conformities are raised against the central office. Suspension affects the entire CFO certificate. In case of non-certified product being sold as certified as a one-off human error at a site, a major non-conformity is raised rather than an immediate suspension.	Non-conformities can be raised against the individual sites and/or the central office/group management. Suspensions can be specific to a site, strata or the entire group.
Internal audits and reviews	No internal auditing requirements.	Optional internal audits.	Mandatory internal audits and reviews.
Training	All responsible staff must be trained.	Strict training requirements for all responsible staff. Training records must be kept.	All responsible staff must be trained. Training records must be kept.

#### **Get in touch:**

#### Marine Stewardship Council (MSC)

www.msc.org/commercial-contacts info@msc.org



@MSCecolabel #MSCcertified



/marine-stewardship-council



/sustainableseafood

#### **Aquaculture Stewardship Council (ASC)**

www.asc-aqua.org/what-you-can-do/get-certified/chain-of-custody

info@asc-aqua.org



@asc\_aqua



/aquaculture-stewardship-councilz

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The guide relates to the Chain of Custody Standard: Consumer-Facing Organisation. All details within this document are accurate at the time of publication. This is a guide document only, and if any interpretative issues arise in relation to the content covered in the publication, the text of the English MSC program documents will prevail in all instances.