



June 26, 2023

Mr. Doug Vincent-Lang, Commissioner
Department of Fish & Game
The State of Alaska
1255 West 8th Street
P.O. Box 115526
Juneau, Alaska 99811-5526
HAND DELIVERED

Dear Mr. Vincent-Lang:

I am writing in response to your letter sent on May 30, 2023, regarding the application of the MSC's standards in Russia.

I would first like to express the utter dismay that my colleagues and I felt when reading the troubling accusations in your letter. We have unreservedly condemned the invasion of Ukraine by Russia and we are acutely aware of the suffering and anguish caused by the conflict.

We are a global not-for-profit with a non-political mandate to end overfishing. Overfishing is an enormous environmental problem which threatens the future of our ocean and seafood supplies, that goes beyond national and regional considerations. Like many international organizations, we continue to grapple with how best to respond to consequences of the war. To be very clear, we have not lowered MSC's certification requirements to enable Russian fisheries to remain in the program. Rather, in continuing to carry out our mission the MSC has taken steps to significantly limit and scrutinize MSC certification activities in Russia.

We are very proud of the long-standing partnership between the MSC and Alaskan fisheries. Fisheries in Alaska were some of the first in the world to be certified to the MSC Fisheries Standard and remain, to this day, some of the highest scoring fisheries to our Standard. We have the utmost respect for the significant role industry leaders and fishery managers have played to ensure the sustainability of fisheries in Alaska – that enduring commitment is reflected in the long history of success of Alaskan fisheries in the MSC program. Their efforts and example have helped to galvanize the global sustainable seafood movement which the MSC is working tirelessly to advance for the benefit of the ocean and people throughout the world.

In the interests of transparency and accuracy, I have outlined below the steps taken by the MSC since March 2022 in response to the Russian invasion of Ukraine together with responses to your concerns in the attached. And, I have asked Erika Feller, MSC's Regional Director for the Americas, to arrange to meet with you in person to discuss these significant issues.

Thank you for taking the time to contact us to raise these important matters and I look forward to continued discussion.

Sincerely,

A handwritten signature in black ink that reads 'Rupert Howes'.

Rupert Howes, Chief Executive



Responses to questions about the application of the MSC Standards in Russia and Alaska

June 2023

What steps has MSC taken since March 2022 in response to the Russian invasion of Ukraine?

In March 2022, the MSC's Board of Trustees decided that there will be no new MSC activity in Russia, although existing certificates would be maintained, subject to extra due diligence. Where fisheries and processing companies have remained certified, those certificates are managed and scrutinized according to the same requirements and principles as all certifications world-wide. In addition, all certified entities in Russia must demonstrate their compliance with international sanctions including any sanctions targeted at individuals linked to the Russian government.

Since 2022, the independent oversight body, Assurance Services International (ASI), directed that conformity assessment bodies (CABs) – the independent assessors responsible for assessment and certification decisions under the MSC program – may not issue any new certificates nor allow changes to certificate scope in Russia. And ASI has undertaken additional oversight and maintained an ongoing review to confirm that CABs in Russia are able to uphold the requirements of the MSC program.

Since March 2022, several Russian fisheries and processing companies have chosen to self-suspend their MSC certification for a variety of reasons.

Have special accommodations unfairly advantaged Russian fisheries over Alaskan fisheries?

Applications for time extensions, hybrid-auditing, and changes to assessment teams, known as variation requests, are common across all fisheries in our program. The purpose of variations is to offer flexibility to allow assessment teams to navigate the real-world challenges in which fisheries operate. Similar variation requests have been requested and granted in Alaskan fisheries, including pollock, flatfish, cod, and salmon. These requests have related to surveillance schedules, reporting deadlines and certificate lengths. These variations do not suggest any compromises were made as to the level of performance of these fisheries to achieve and maintain their certification.

The majority of variations requests received are related to procedural aspects of the certification process; they are not used to compromise on the level of performance needed to achieve certification. Variations follow a structured, consistent and transparent process in which requests are submitted to the MSC's Fisheries Standard team by the CAB; MSC reviews each request to determine impacts on the assessment process, the certificate holder and the MSC program, then either accepts or declines the request. All variation requests and the responses are publicly available on MSC's Track a Fishery website (fisheries.msc.org).

In 2022, MSC approved 180 such requests and of those:

- 27 were related to Russian fisheries.
- 87 allowed for hybrid or remote audit teams.
- 15 variation requests were for certificate extensions; of those, nine referred to periods up to three months, three between three and six months, and three for periods longer than six months.



The MSC's variations process provides flexibility, where appropriate, to ensure the effective running of fishery assessments and certification. This is consistent with standard setting Codes of Good Practice, as set out by ISEAL, the global organization that defines credible practice for sustainability systems. The MSC program is fully compliant with the ISEAL Codes of Good Practice in Standards-Setting, Assurance and Impacts.

Salmon: In August/September 2022 surveillance audits for ten Russian fisheries, including nine salmon fisheries and one pollock fishery, took place with one on-site auditor, supported by additional remote auditors. This request to allow a 'hybrid' audit team was granted as a variation request to ensure that the assessment could be conducted in a rigorous manner and ensure the safety of the auditors. This assessment included the same opportunities for stakeholder input and a high level of scrutiny of environmental data and management systems as is required of all assessments to the MSC Standard.

The MSC's decision to allow a hybrid assessment is consistent with the outcome of other similar variation requests over the same period for fisheries elsewhere in the world; in 2022, MSC received a total of 89 similar variation requests related to site visits, of which 87 were accepted.

In December 2022, Alaska salmon fisheries re-assessment meetings were a combined MSC-RFM re-assessment process, where auditors conduct joint assessments, resulting in greater efficiencies. The independent assessors (CAB) requested no variations in advance of this assessment.

Western Bering Sea Pollock: The Russian Western Bering Sea pollock fishery received a site visit of the fishery during the period from April 4-6, 2023 with one person on-site and another remote. The timeline for this surveillance audit was extended by three months, which is in line with time extensions granted for similar variation requests in 2022. The next surveillance audit for this fishery is scheduled for 2024.

In 2022, the MSC granted a total of 15 variation requests for certificate extensions – two of which were for Russian fisheries.

Barents Sea Red King Crab: The Russian Barents Sea Red King crab certification was extended by four months, the second of two such extension requests for Russia referred to in the previous paragraph.

Note: The MSC takes concerns about the integrity of the process very seriously. Complaints about the actions of assessment bodies, or CABs, can be made directly to the CABs. If not addressed, complaints may then be elevated to Assurance Services International, the independent oversight body, for investigation.

Were MSC's decisions driven by concern about revenue?

The MSC program is set up so that MSC cannot make a decision to issue or withdraw a fishery's certification. Fishery assessments are undertaken by third-party assessment bodies (CABs) referred to above, independently from MSC, and the decision is reviewed by expert scientists, includes open stakeholder consultation and independent oversight by ASI. This separates MSC from certification decisions.

The MSC derives revenue from logo fees based on ecolabeled products – which may contain certified Russian fish among others. The track record of our program clearly demonstrates that when fisheries fail to meet requirements, they are suspended or lose their certificates, irrespective of any concern about the impact on ecolabeled products. A recent case in point was the decision of independent assessors in 2019/20 to suspend

Northeast Atlantic (NEA) fisheries due to concerns with the fisheries’ management; this even though NEA mackerel and herring were widely available in products bearing the MSC ecolabel in markets with a high consumer demand for certified seafood.

Despite the war, Russian seafood continues to be traded globally, including that which is not MSC certified. Important trading blocs like the European Union, have not imposed restrictions on most Russian seafood imports due to food security and affordability concerns. The US has sought to bar direct imports of Russian seafood and enforce sanctions against individuals, but fishery products sourced from Russia continue to enter the US market through intermediary processing nations.

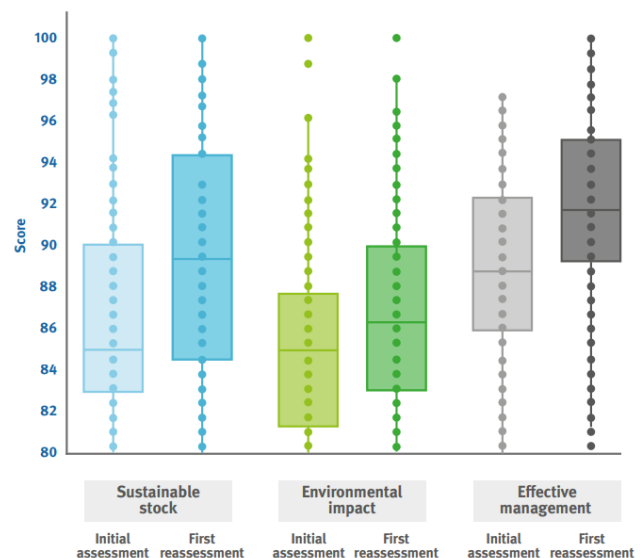
If the MSC certification disappeared from Russian fisheries, it might cause short-term disruption for retailers and brands who have made sustainability commitments and source from those fisheries, and the legal trade in Russian seafood would continue. What would be lost would be the incentives for Russian fisheries to maintain and continue to improve upon the environmental performance needed if we are to tackle the challenges facing fisheries and wider ocean health.

Were Russian fisheries granted a ‘conditional’ certification?

One of the important features of MSC certification is that fisheries are incentivised to make continuous improvement. All certified fisheries meet a high bar for sustainability, but where there is room for improvement, they are given conditions of certification that they must fulfil by a given deadline. Over 95% of fisheries in our program have completed at least one condition, including Alaskan fisheries.

How this works: The MSC Fisheries Standard includes three principles: sustainable stocks, environmental impacts and effective management. Each of these principles includes a set of indicators which are scored by assessors. To be certified a fishery must score an average 80 or above for indicators within each principle, indicating that overall they meet international best practices for sustainability. If any indicators fall below a score of 60, the fishery cannot be certified. Provided these scores are met, any indicators which score between 60 and 79 result in the fishery being given a ‘condition of certification’. The fishery must then implement a plan of action to make improvements that will bring this indicator up to global best practice (80 or above). If the fishery fails to meet conditions within the certification period (usually five years), the fishery can be suspended from the MSC program.

The graph on the right shows the scores against these three principles for all certified fisheries that have completed at least two full assessments against the Fisheries Standard. This shows that fisheries typically improve their performance across the three principles during the first 5 years of certification.





Further, updates to MSC's Fisheries Standard can also result in fisheries being given new conditions for improvement. This system provides an important mechanism for driving continuous improvement of sustainable fisheries to continue to meet changing global best practices.

What is the MSC's approach to ensuring certified supply chains are free from labor abuses?

The social welfare measures put in place by many companies operating in Alaska are likely to go beyond what is required for MSC certification and their efforts should be recognized. Our Standards are focused on fisheries' environmental performance and sustainability and seafood supply chain assurance. We nonetheless support global efforts to eliminate abhorrent practices, such as forced and child labor, from the seafood industry and acknowledge the efforts of the many experienced human rights organizations and labor standards working to address these issues.

Our current requirements on labor are not insignificant and are aimed at tackling egregious forms of forced or child labor while also facilitating greater knowledge and transparency on how to address these abhorrent practices. Any entity convicted of forced or child labor violations is ineligible for MSC certification for at least two years. All MSC-certified fisheries and at-sea supply chain businesses must publish their policy and practices to mitigate egregious labor abuses on the MSC's website. These disclosures, summarized in a recent peer reviewed paper in Marine Policy, provide much needed transparency on the measures taken by fisheries representing a sixth of the world's wild marine catch.

Additionally, supply chain companies that undertake the processing and packing of certified seafood must undergo a third-party labor audit or submit a self-assessment report and allow us to commission independent labor audits. During Covid there were exceptional measures (derogations) applied globally which allowed for self-declarations for our forced and child labor requirements in place of in-person labor audits, with the possibility of audits being triggered at a future date. As the effects of the Covid pandemic come to an end, all certified supply-chain businesses will need to comply in full with our requirements which include the possibility of in-person labor audits, where warranted.

Furthermore, in October 2022, we introduced new requirements that entities involved in unacceptable conduct, inclusive of mistreatment of crew, fisheries observers and workers on site, must be removed from MSC certificates.

#ends#