


October 2011

	منظمة الأغذية والزراعة للأمم المتحدة	联合国 粮食及 农业组织	Food and Agriculture Organization of the United Nations	Organisation des Nations Unies pour l'alimentation et l'agriculture	Продовольственная и сельскохозяйственная организация Объединенных Наций	Organización de las Naciones Unidas para la Alimentación y la Agricultura
---	--	--------------------	---	---	---	--

## COMMITTEE ON FISHERIES

### SUB-COMMITTEE ON FISH TRADE

#### Thirteenth Session

Hyderabad, India, 20-24 February 2012

#### Traceability best practice guidelines

#### Executive Summary

The Twenty-ninth Session of the Committee for Fisheries agreed that FAO should initiate work to develop international best practice guidelines for traceability of fish and fishery products. The best practice guidelines would facilitate the coherence of different traceability systems. This paper provides an overview of traceability in the fisheries sector, provides examples of current traceability requirements, and seeks guidance from the Sub-Committee on how to proceed with this work.

#### The Sub-Committee is invited to:

1. Provide guidance on the process that should be followed to develop the best practice guidelines for traceability, taking into account the three options identified in the paper:

- Option 1: the FAO Secretariat will develop best practice guidelines for traceability and publish the guidelines under its own responsibility.
- Option 2: the FAO Secretariat will develop a first draft of the best practice guidelines for traceability and submit them to the next session of the Sub-Committee on Fish Trade for further guidance.
- Option 3: the FAO Secretariat will convene an Expert Consultation with the mandate to develop a draft of the best practice guidelines for traceability. The outcome of the Expert Consultation would then be forwarded to the next session of the Sub-Committee on Fish Trade for further guidance. This option would require the identification of extra-budgetary funds to host the Expert Consultation.

2. Provide suggestions on elements that should be included in the best practice guidelines for traceability.

## INTRODUCTION

1. Traceability systems are a well established tool for verifying the integrity of a supply chain and for remedying failure when a supply chain's integrity is broken. They are included in measures that aim to ensure the quality and safety of fish and fish products, their legality, or their origin from a sustainably managed fishery.
2. There has always been a degree of traceability in the fisheries sector. In recent years, however, there has been an increased demand for traceability of fish and fish products. This is in part due to the increased globalization of the fish industry in terms of sourcing raw materials, processing and marketing. This has increased the length and complexity of the supply chain and enhanced the need to trace products throughout the supply chain.
3. The multiplication of traceability requirements can pose challenges for both the public and private sectors. While the benefits of traceability requirements are recognized, their implementation can be costly and potentially create barriers to trade.
4. The Annex provides a summary of the main existing traceability requirements in the fisheries sector.

## DEFINITION

5. Traceability is "*the ability to trace the history, application or location of that which is under consideration*" (International Organization for Standardization, 9000:2000). When considering a product, traceability relates to the origin of materials and parts, the processing history and the distribution and location of the product after delivery.
6. In the case of food safety, the *Codex Alimentarius* (Codex Alimentarius Commission, 2005) defines "*traceability/product tracing as the ability to follow the movement of a food through specified stages of production, processing and distribution*".
7. This definition has been further refined into a regulation by the European Union (EU) to signify "*the ability to trace and follow a food, feed, food producing animal or substance intended to be, or expected to be incorporated in a food or feed, through all stages of production, processing and distribution*" (EU, 2002).

## DRAFT TRACEABILITY BEST PRACTICE GUIDELINES

8. FAO will develop draft traceability best practice guidelines that will identify key issues and practices that FAO members should consider when establishing traceability systems. The best practice guidelines should recognize the sovereign right of a country to put protective measures in place, but should also emphasize that these measures should not be more restrictive than necessary to achieve the appropriate level of protection. A few elements to be considered in the best practice guidelines for traceability are outlined below.
9. The benefits of harmonizing traceability requirements should be addressed in the best practice guidelines for traceability. The World Trade Organization (WTO) Agreement on Technical Barriers to Trade encourages the harmonization of standards internationally to avoid trade distortions. The purpose of harmonization is not so much to achieve identical regulations or standards, but to converge traceability requirements.
10. The notion of equivalency should also be considered in relation to traceability requirements. Equivalency affords the same degree of protection to each country, but allows traceability systems to be different. Equivalency assumes that if different traceability systems have an equivalent effect, they should be recognized as offering the same level of protection.
11. The costs and benefits of integrating traceability requirements within a traceability system should be considered. Fish and fish products are often subject to a number of traceability requirements. To the extent possible, consideration should be given to integrating these requirements. The best practice guidelines should also recognize the needs of developing countries.

## **PROCESS**

12. Guidance is sought from the Sub-Committee on how to proceed with this work.
- The first option is for the FAO Secretariat to develop best practice guidelines for traceability and to publish the guidelines under its own responsibility.
  - The second option is for the FAO Secretariat to develop a first draft of the best practice guidelines for traceability and submit it to the next session of the Sub-Committee on Fish Trade for further guidance.
  - The third option is for the FAO Secretariat to convene an Expert Consultation with the mandate to develop draft of the best practice guidelines for traceability. The outcome of the Expert Consultation would then be forwarded to the next session of the Sub-Committee on Fish Trade for further guidance. Please note that this option would require the identification of extra-budgetary funds to host the Expert Consultation.

## ANNEX

A selection of the main traceability systems and processes are described in this section, organized into the following groupings:

- Traceability Standards for Food Supply Chain Systems;
- Independent tools and procedures used to establish and maintain traceability;
- Fish ecolabelling and certification schemes;
- Governmental Traceability Programmes;
- Intergovernmental Catch Documentation Schemes;

### 1.1 GOVERNMENTAL TRACEABILITY PROGRAMMES

National governments and intergovernmental organizations establish laws, regulations, and associated enforcement programmes for traceability of fish products. There are minimum traceability requirements for all trading of food products, as well as fish-specific requirements focused on preventing trade in illegally-caught fish. This section includes examples of traceability requirements from the EU, the United States of America (USA) and Japan.

#### 1.1.1 EU

European Union legislation has addressed food marketing, labeling and traceability, with a number of regulations for fish and fish products. Commission Regulation (EC) No 2065/2001 lays down detailed rules for the implementation of fishery and aquaculture market legislation with regards to informing consumers about fishery and aquaculture products<sup>1</sup>. The EU introduced a food traceability requirement in Regulation (EC) No 178/2002 which requires traceability not only for food but also for animal feed and for animals destined for food production<sup>2</sup>. Traceability record-keeping is required to be ‘one up, one down’. The most recent EU legislation regarding traceability of fish products is the 2008 regulation to address IUU fishing that entered into force on 1<sup>st</sup> January 2010.

#### 1.1.2 UNITED STATES OF AMERICA

For the USA there are three legal frameworks in which traceability plays an important role: the Food Safety and Modernization Act, the Lacey Act and the US Tuna Tracking & Verification Program.

##### 1.1.2.1 Food Safety and Modernization Act

The recently introduced Food Safety and Modernization Act (2010) gives the Food and Drug Administration authority to ensure that imported goods meet USA standards. Importers will be given an explicit responsibility to verify their foreign suppliers have adequate controls in place to ensure the food they produce is safe. This is likely to include traceability requirements for imported foods.

##### 1.1.2.2 Lacey Act

The Lacey Act, first enacted in 1900 and significantly amended in 1981, is the United States’ oldest wildlife protection statute. The Act combats trafficking in “illegal” wildlife, fish and plants. Specifically, the Lacey Act (16 USC §3371-3378) makes it illegal for US companies to trade in imported fish, wildlife and plant products that were obtained in contravention of any national or international laws.

---

<sup>1</sup> “Commission Regulation (EC) No 2065/2001 of 22 October 2001 laying down detailed rules for the application of Council Regulation (EC) No 104/2000 as regards informing consumers about fishery and aquaculture products” Chapter III. Traceability and control. Art 8

<sup>2</sup> Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety.

Importing USA companies must protect themselves and consumers from Lacey Act liability. To do this, buyers must identify and implement their own documentation and traceability schemes to ensure they know certain information about how the fish was caught.

### ***1.1.2.3 US Tuna Tracking & Verification Program***

#### ***Objectives and Standard***

The US Tuna Tracking and Verification Program is a government traceability programme that fulfils dolphin conservation obligations under international law. It requires designated domestic fishing operators and fish traders to carry out specific traceability activities, oversees the implementation of some activities, and performs audits and spot checks.

### ***1.1.3 JAPAN***

Japan advocates labeling and traceability systems for food products to expand information available to consumers, foster consumer confidence in food safety and allow rapid containment of any contamination incidents (MAFF, 2004). Fish products are an important component of the Japanese diet but there are no government-imposed traceability requirements and only basic labeling requirements for fish.

## **1.2 INTERGOVERNMENTAL CATCH DOCUMENTATION SCHEMES**

Regional Fisheries Management Organizations (RFMOs) and other natural resource management inter-governmental organizations like the Convention for the Conservation of Antarctic Marine Living Resources (CCAMLR) have confronted traceability issues through their attempts to deal with illegal, unreported and unregulated (IUU) fishing. In developing a number of different systems, these organizations have progressed to varying degrees in establishing traceability for the products of their fisheries. The following sections describe and review the current state of the RFMO catch documentation schemes (CDS) and their traceability.

While this review of RFMO CDSs focuses on traceability, it should be noted that traceability is not a primary, or in some cases even an explicit, objective of the schemes. Instead of focusing on separate documentation of each link in the supply chain, e.g. one up one down, the schemes aim to maintain traceability throughout the supply chain in order to combat IUU fishing. The effectiveness of each scheme is thus judged by its users on the maintenance of multiple links and the match between documented traded quantities and catch, neither of which is required in standard (one-up, one-down) traceability schemes.

There are currently three catch documentation schemes implemented by RFMOs:

- The CCAMLR Catch Documentation Scheme for Toothfish (implemented in May 2000)(CCAMLR 2009);
- The International Commission for the Conservation of Atlantic Tunas' (ICCAT) Catch Document Programme for Atlantic Bluefin Tuna (implemented in June 2008) (ICCAT 2009a);
- The Commission for the Conservation of Southern Bluefin Tuna's (CCSBT) Catch Documentation System for South Bluefin Tuna (implemented in January 2010)(CCSBT 2010a).

## **1.3 NON-GOVERNMENTAL SCHEMES**

### ***1.3.1 MARINE STEWARDSHIP COUNCIL***

#### ***1.3.1.1 Objectives and Standard***

The Marine Stewardship Council (MSC) is a non-profit organization based in the United Kingdom that has established a voluntary certification and ecolabelling program for sustainable seafood. The MSC is the standard setting organization, and claims to conform with the FAO Ecolabelling Guidelines and the ISEAL Code of Good Practice. Independent certifying bodies are independently accredited by Accreditation Services International (ASI).

The MSC's certification program covers both certification of sustainable fisheries and the fish product supply chain. Once a fishery is certified, the fish and fish products originating from that fishery are eligible to enter the supply chain which is certified through the MSC's Chain of Custody (COC) procedure. The supply chain, and hence the COC, may start before the fish leaves the vessel (in the case of some catcher-processors), but more often the entry point is the site of landing or first sale. Numerous types of organizations can apply for and receive chain of custody certification, including: fishing vessels, auction houses, primary processors, secondary processors, brokers, traders, wholesalers/distributors, storage and transportation companies<sup>3</sup>, restaurants, retail stores and fish markets. The scope can include any type of fish product, ranging from whole fish, to fish sticks, to fish chowder, to encapsulated fish oil.

### ***1.3.2 MARINE ECO-LABEL JAPAN***

#### ***1.3.2.1 Objectives and Standard***

The Marine Eco Label (MEL)-Japan seafood certification scheme was established in 2007, under the auspices of the Japan Fisheries Association, the largest fishing industry organization in Japan, and aims to support fishermen who are proactive in fisheries management and encourage consumer support for their products. Distributing organizations wishing to handle products from MEL-Japan certified fisheries voluntarily apply for chain of custody certification. At present there are 39 organizations certified for chain of custody under the MEL-Japan scheme (MEL-Japan 2011).

### ***1.3.3 FRIEND OF THE SEA***

#### ***1.3.3.1 Objectives and Standard***

Friend of the Sea (FOS) is an international third-party organization that provides certification for products from fisheries and aquaculture that are compliant with its sustainability criteria. It is an independent, non-profit organization that provides information, primarily to consumers, through labeled products in supermarkets and through their website, as well as to companies at various meetings and conferences. FOS certifies fisheries and aquaculture operations worldwide, in both developed and developing countries. In addition to seafood products, its certified products also include fishmeal, fish oil, fish feed and omega-3 supplements. It is a voluntary and market-driven scheme.

FOS assesses and certifies fisheries and aquaculture facilities against its standards, which include a traceability component. The objective of the traceability standard is to assure seafood suppliers, distributors, vendors, and consumers that a claim of Friend of the Sea compliant origin for a product can be substantiated and documented.

### ***1.3.4 GLOBAL AQUACULTURE ALLIANCE***

#### ***1.3.4.1 Objectives and Standard***

The Global Aquaculture Alliance (GAA) describes itself as 'the leading international organization dedicated to advancing environmentally and socially responsible aquaculture and a safe supply of seafood to meet growing world food needs'. The non-profit was founded in 1997 and develops Best Aquaculture Practices (BAP) certification standards. The BAP standards currently cover aquaculture facilities (farms, hatcheries, feed mills and processors) for shrimp, salmon, tilapia, channel catfish and

---

<sup>3</sup> Transportation companies are typically included only as subcontractors to a certified company.

*Pangasius* (standards are specific to the species and type of facility in question). Additional standards are under development. The guiding principles for responsible aquaculture, which are the core objectives of the BAP programme, are to achieve environmental, economic and social sustainability of aquaculture operations by minimizing ecological impacts, using fresh water sustainably, avoiding disease outbreaks, minimizing risks from introduction of exotic species, and benefiting local communities and economies.

### ***1.3.5 GLOBALG.A.P***

#### ***1.3.5.1 Objectives and Standard***

GLOBALG.A.P. is an independent private sector organization that sets voluntary standards for the certification of production processes of agricultural products. This includes aquaculture products, but not wild fisheries. It aims to serve as a manual for 'Good Agricultural Practice' that minimizes detrimental environmental impacts, ensures animal welfare and worker health and safety. The programme also claims to provide a framework for benchmarking existing national or regional farm assurance schemes and standards, as a way of reducing redundancy and harmonizing existing programmes. GLOBALG.A.P. is a business-to-business scheme that is not visible to consumers, but rather aims to reassure retailers of the origin and production methods of aquaculture product. As of 2008 there were 92 000 producers involved in the program. The programme includes a chain of custody standard which aims to ensure that any product sold as GLOBALG.A.P.-certified is produced from material that originates from certified GLOBALG.A.P. farms.