

September 2004



منظمة الأغذية  
والزراعة  
للأمم المتحدة

联合国  
粮食及  
农业组织

Food  
and  
Agriculture  
Organization  
of  
the  
United  
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Organisation  
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pour  
l'alimentation  
et  
l'agriculture

Organización  
de las  
Naciones  
Unidas  
para la  
Agricultura  
y la  
Alimentación

## TECHNICAL CONSULTATION ON INTERNATIONAL GUIDELINES FOR THE ECOLABELLING OF FISH AND FISHERY PRODUCTS FROM MARINE CAPTURE FISHERIES

Rome, Italy, 19-22 October 2004

### Recent Developments of Interest to the Consultation

#### Introduction

The potential usefulness of ecolabelling schemes as a sustainable development tool was internationally recognized at the 1992 UN Conference on Environment and Development (UNCED) in Rio de Janeiro, Brazil<sup>1</sup>. The importance of achieving sustainability objectives through market-based measures is also reflected in the FAO Code of Conduct for Responsible Fisheries (Article 11) and other international and national instruments including the Plan of Implementation of the 2003 Johannesburg World Summit on Sustainable Development (WSSD)<sup>2</sup>.

Ecolabelling schemes for non-food products were introduced as far back as the late 1970s but acquired prominence in the 1990s with the introduction of such schemes in forestry and fisheries and the expansion of organic labelling schemes for agricultural products. The proliferation of such schemes brought with it concern about their impact on international trade. More specifically, the international debate focused on :

- the scientific basis of certification standards and criteria
- the potential difficulties for developing countries, and especially their small-scale producers, to participate in such schemes
- the potential of confusing traders and consumers with a variety of product labels relating to different criteria and standards.

These concerns were also at the forefront of the debate at the first technical consultation on ecolabelling of fish and fishery products from marine capture fisheries which was convened by FAO in October 1998 at the request of the Sixth Session of the COFI Sub-Committee on Fish Trade, Bremen, 3– June 1998.

<sup>1</sup> Governments agreed to “encourage expansion of environmental labelling and other environmentally related product information programmes designed to assist consumers to make informed choices”. Paragraph 4.21 of Agenda 21.

<sup>2</sup> On the subject of changing unsustainable patterns of consumption and production, the WSSD Plan of Implementation calls for, inter alia, voluntary, effective, transparent, verifiable, non-misleading and non-discriminatory consumer information tools but which should not be used as disguised trade barriers (Paragraph 14 (e)).

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The first technical consultation developed a set of principles for ecolabelling schemes in fisheries which are fully incorporated in the draft international guidelines to be considered under Agenda Item 4. The 23<sup>rd</sup> and 24<sup>th</sup> Sessions of COFI in 1999 and 2001 requested FAO to monitor developments in the ecolabelling of fish and fishery products but at that time there was no unanimous view on the desirability of FAO to lead a process of developing international guidelines.

In parallel to the debate in FAO, several developments have taken place that aim at influencing the purchasing behaviour of fish consumers against a background of increasing media attention to sustainability issues in marine fisheries. These include the appearance of various schemes of fish purchasing guides by organizations such as Monterey Bay Aquarium and National Audubon Society in the USA, Seafood Choices Alliance - a web site bringing ocean conservation to the table, Greenpeace, WWF Sweden's consumer guide, and others. At the corporate level, companies such as Unilever and Carrefour included sustainability criteria in their product procurement policies encompassing, inter alia, fish and fishery products.

Most notable is the recent expansion of fishery production that has become certified and ecolabelled under the Marine Stewardship Council<sup>3</sup>. The expansion is the result of three major fisheries becoming certified, namely Alaska salmon in September 2000, New Zealand hoki in March 2001 and South African Hake Trawl Fishery in April 2004. These three fisheries, out of a total of ten certified fisheries, contribute about 95% of the volume of MSC certified fishery production.

Notable are also the MSC certification of small volume but high value fisheries, namely the Western Australian Rock Lobster fishery and the Red Rock Lobster fishery of Baja California, Mexico. The latter is the first small-scale developing country fishery certified by MSC.

The volume of MSC certified fishery production is expected to further increase significantly over the coming years. The Bering Sea/Aleutian Islands and the Gulf of Alaska pollock fishery, the world's largest whitefish fishery with an average annual harvest of 1.1 million tonnes, has just passed the MSC Principles and Criteria after a three year assessment. However, an objection to certification has been lodged by a coalition of environmental groups under the MSC's objection procedure.

Other larger volume fisheries which are among the fifteen fisheries currently undergoing MSC assessment include the salmon fishery, and the halibut and sable fish fisheries in British Columbia, Canada; the halibut and sable fish fisheries in Alaska, USA; the US Freezer Longline fishery for cod in the Bering Sea and Aleutian Island; the Chile industrial hake fishery; and the pelagic freezer trawler fishery for North Sea herring.

## **Recent work in FAO**

In accordance with the wishes of Members for FAO to monitor the developments in fisheries ecolabelling, the Fisheries Department published in 2001 a comprehensive technical paper on product certification and ecolabelling for fisheries sustainability. In addition to a discussion of the theoretical foundation and international trade law implications, the publications also comprises a detailed review of various labelling and certification schemes in capture fisheries and aquaculture<sup>4</sup>.

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<sup>3</sup> MSC was established in 1997 by Unilever and WWF. A non profit organization, MSC became fully independent from Unilever and WWF in 1999. It is funded by a wide range of organisations including charitable foundations and corporate organisations around the world ([www.msc.org](http://www.msc.org)).

<sup>4</sup> Wessells, C.R.; Cochrane, K.; Deere, C.; Wallis, P.; Willmann, R. Product certification and ecolabelling for fisheries sustainability. FAO Fisheries Technical Paper. No. 422. Rome, FAO. 2001. 83p.

At the request of the 25<sup>th</sup> Session of the Committee on Fisheries (COFI), Rome, Italy, 24 to 28 February 2003, FAO convened the Expert Consultation on the Development of International Guidelines for Ecolabelling of Fish and Fishery Products from Marine Capture Fisheries, 14-17 October 2003, Rome, Italy. In the course of discussions both in plenary and small working groups, the expert consultation produced draft international guidelines for the ecolabelling of fish and fishery products from marine capture fisheries.<sup>5</sup> The draft guidelines comprise principles, minimum substantive requirements, criteria and procedures for the ecolabelling of fish and fishery products from marine capture fisheries.

The guidelines draw upon various sources including relevant guides of the International Organization for Standardization (ISO), the WTO Agreement on Technical Barriers to Trade (TBT), in particular, Annex 3 *Code of Good Practice for the Preparation, Adoption and Application of Standards*, and the work of the International Social and Environmental Accreditation and Labelling (ISEAL) Alliance<sup>6</sup>.

As directed by the 25<sup>th</sup> Session of COFI, the draft international guidelines were submitted to the 9th Session of COFI Sub-Committee on Fish Trade, Bremen, Germany, 10 – 14 February 2004. The COFI Sub-Committee expressed its appreciation to FAO and the group of experts for the work accomplished. It noted the benefits to fisheries managers, producers, consumers and other stakeholders of internationally agreed and widely accepted and applied guidelines that ensure the credibility and trustworthiness of voluntary ecolabelling schemes for fish and fishery products.

The Sub-Committee recommended that FAO organize a Technical Consultation to further elaborate the work of the Expert Consultation and finalize the draft guidelines for their consideration by the 26<sup>th</sup> Session of COFI in February 2005. It recommended that the technical consultation focus its work on, inter alia, (i) the further elaboration of the minimum substantive requirements and criteria of sustainable fisheries, in particular concerning the methodology for setting certification criteria; (ii) the applicable definitions of important concepts such as, inter alia, the equivalence of standards; (iii) the procedures for the validation of certification standards; and (iv) possible appeal mechanisms.

### **Recent work in the World Trade Organization (WTO)**

The issue of labelling requirements for environmental purposes has become, since the 4th WTO Ministerial Conference in Doha, November 2001, an issue of special focus in the work of the WTO Committee on Trade and Environment (CTE). At the Doha Ministerial Conference, WTO members instructed the CTE to undertake further work on labelling requirements for environmental purposes and in particular to:

- look at the impact of eco-labelling on trade,
- examine whether existing WTO rules stood in the way of eco-labelling policies, and
- identify any WTO rule that would need to be clarified.

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<sup>5</sup> Report of the Expert Consultation on the Development of International Guidelines for Ecolabelling of Fish and Fishery Products from Marine Capture Fisheries. Rome, Italy, 14–17 October 2003. FAO Fisheries Report. No. 726. Rome, FAO. 2003. 36p

<sup>6</sup> ISEAL alliance is a formal collaboration of many of the leading international standard-setting and conformity assessment organizations that focus on social and environmental issues. It works on developing and applying codes, guidelines and tools for standard setting and conformity assessment organizations. Its work include:

ISEAL – Guidance on ISEAL Code of Good Practice for Setting Social and Environmental Standards. P020 Public Draft 1/07/03

ISEAL – P005 Code of Good Practice for Setting Social and Environmental Standards. Public Draft 2 July, 2003

ISEAL – Best Practices for Setting Voluntary Standards – Workshop Report, 11 June 2003

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In conformity with its mandate, the CTE published in July 2003 its final report to the 5th WTO Ministerial Conference in Cancun, September 2003.<sup>7</sup> Most CTE Members agree that voluntary, participatory, market-based and transparent environmental labelling schemes are potentially efficient economic instruments in order to inform consumers about environmentally friendly products. As such they could help move consumption on to a more sustainable footing. Moreover, they tend, generally, to be less trade restrictive than other instruments. However, the report also notes that environmental labelling schemes could be misused for the protection of domestic markets. Hence, these schemes need to be non-discriminatory and not result in unnecessary barriers or disguised restrictions on international trade<sup>8</sup>.

With respect to voluntary environmental labelling schemes, the CTE report stresses the importance of the TBT Agreement's Code of Good Practice for the Preparation, Adoption and Application of Standards, and encourages the acceptance of this Code by the bodies developing labelling requirements. Moreover, the report recalls that the TBT Committee's Decision on the "*Principles for the Development of International Standards*" provides useful guidance also for environmental labelling standards. These principles are: transparency, inclusiveness or openness (that all stakeholders be involved in the development of the standard), impartiality and consensus, effectiveness and relevance, coherence, and, wherever possible, responsiveness to the needs and interests of developing countries<sup>9</sup>.

While international standards for labelling have a significant potential to facilitate trade by promoting the convergence of labelling requirements, the CTE report notes that there was a need to better involve developing countries in the setting of environmental standards and regulations, whether at the national or international level. It reiterates that developing countries were at a disadvantage due to limited or ineffective participation in these processes<sup>10</sup>. Moreover, for developing countries, the recognition of the equivalency of their own certification systems was an area of particular concern. In this connection, it was important to concentrate on assisting developing countries to design schemes that supported environmental objectives within their own domestic context<sup>11</sup>.

The 2003 Draft Cancún declaration took note of the work undertaken by the CTE pursuant to paragraphs 32 and 33 of the Doha Ministerial Declaration, and stated that this work shall continue on the basis of the progress made thus far<sup>12</sup>.

### **Other developments**

Based on the MSC model, the Marine Aquarium Council (MAC), an international, not-for-profit organization, has initiated a certification programme for quality and sustainability in the marine aquarium industry<sup>13</sup>. The certification programme provides independent third party certification and labelling for tropical and other fish used in the aquarium trade through a multistakeholder process consistent with WTO, ISO guidelines and core MAC standards.

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<sup>7</sup> WT/CTE/8, 11 July 2003.

<sup>8</sup> WT/CTE/8, paragraph 30.

<sup>9</sup> WT/CTE/8, paragraph 38

<sup>10</sup> WT/CTE/8, paragraph 31

<sup>11</sup> WT/CTE/8, paragraph 32

<sup>12</sup> Owing to absence of consensus, the draft Cancún Declaration as a whole was not adopted.

<sup>13</sup> [www.aquariumcouncil.org](http://www.aquariumcouncil.org)

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MAC is also involved, together with the International Marine life Alliance (IMA) and The Nature Conservancy (TNC), in the development of a set of industry ‘best practice’ standards for the live reef food fish trade, covering the chain of custody from reef to restaurant.

In 1997, the Nordic Council of Ministers began developing criteria for an environmental label for fish. The Nordic Technical Working Group on Fisheries Eco-labelling Criteria proposed an arrangement for the voluntary certification of products from sustainable fishing that was adopted by the Nordic Ministers of Fisheries in August 2001. The Working Group’s recommendations are based on the Code of Conduct for Responsible Fisheries, FAO’s Technical Guidelines for Fisheries Management and the Precautionary Approach, and the Biodiversity Convention. So far no ecolabelling scheme has been set up and no fisheries are certified based on these criteria.

In 2000, Japanese tuna boat-owners launched the Organization for the Promotion of Responsible Tuna Fisheries (OPRT) to promote conservation and sustainable use of tuna through the cooperation of all stakeholders in tuna fisheries. OPRT is supported by the Japanese government and includes important tuna longlining participants from China, Taiwan (Province of China), Indonesia, Republic of Korea and the Philippines. In addition to its work on developing a “positive list” of large-scale tuna longline fishing vessels that operate in compliance with resource management measures, OPRT is also engaged in developing a consumer-oriented labelling project in order to allow consumers and distributors to identify tuna that had been caught in a responsible manner<sup>14</sup>.

The Parties to the Agreement on the International Dolphin Conservation Programme (AIDCP)<sup>15</sup> adopted in June 2001 a set of procedures for AIDCP Dolphin-Safe Tuna Certification. These procedures include the use of a specific label which was approved by the Parties. AIDCP runs a system for tracking and verifying – “from the sea to the can” – that the tuna has been caught in compliance with the international programme, without mortality or serious injury to dolphins.

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<sup>14</sup> Harada, Y. (2002). Tuna labeling – tuning tuna. In, *SAMUDRA*, November 2002. pp32-34.

<sup>15</sup> This Agreement entered into force in February 1999; its Secretariat is provided by the Inter-American Tropical Tuna Convention (IATTC). Parties to AIDCP are the following: Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Peru, United States, Vanuatu, Venezuela. Countries and regional economic integration organizations which apply the Agreement provisionally are: Bolivia, Colombia and the European Union..