

HEC Challenge
How did this fish end up on my plate?



#### **Quick roundtable discussion**

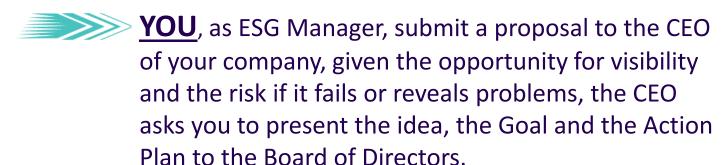
- ► What examples come to mind when you think of human rights abuses in supply chains?
- Any examples of forced labour?
- ▶ Any examples from the fishing industry?
- ▶ How can forced labour affect a brand's reputation? How would it compare to other reputational risks?





### **The Challenge**

► It's the <u>UN Ocean Decade</u> and the ILO and FAO are organising a campaign for the World Ocean Day, asking companies to submit SMART (Specific, Measurable, Achievable, Relevant and Time-Bound) <u>Goals to address forced labour in fishing supply chains</u>



- ▶ Please choose either a high end supermarket (e. Monoprix), low end supermarket (e.g. Carrefour), cat food manufacturer (e.g. Whiskas) or a sushi chain (e.g. Sushi Shop).
- ► Include: research on suppliers, a review of current CSR/ESG reporting, a proposal, action plan and risk analysis for the SMART Pledge



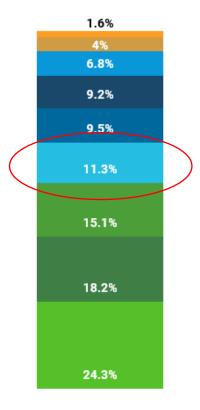




At any given time, 16 million people around the world are victims of forced labour exploitation in the private sector.

Fishing is one of the sectors with the highest prevalence of forced labour worldwide

(Global Estimates from 2017, new Global Estimates to be released in the coming weeks)

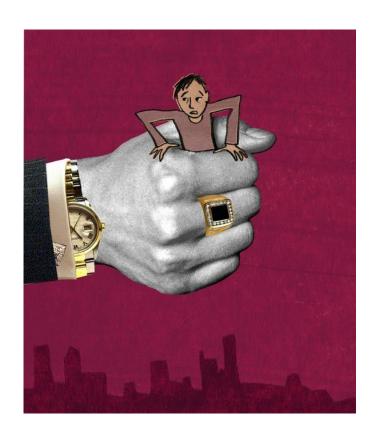


Exploitation by economic activity

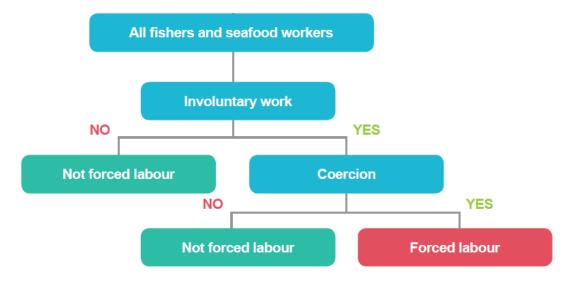




#### The same definition since 1930



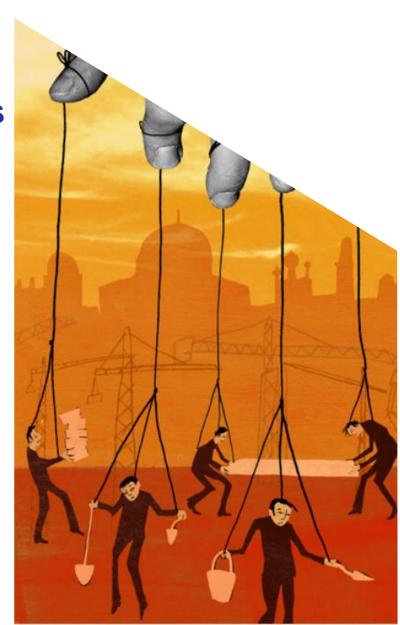
- ▶ ILO Forced Labour Convention, 1930 (No. 29)
- All work or service that is exacted from any person under the menace of any penalty <u>and</u> for which the said person has not offered himself voluntarily »





# 11 indicators / red flags of forced labour 6 are commonplace on long distance fishing vessels

- Abuse of vulnerability
- Deception
- Restriction of movement
- Isolation
- Physical and sexual violence
- Intimidation and threats
- Retention of identity documents
- Withholding of wages
- Debt bondage
- Abusive working and living conditions
- Excessive overtime





# Challenges in addressing forced labour in fishing

► Transnational nature of the industry

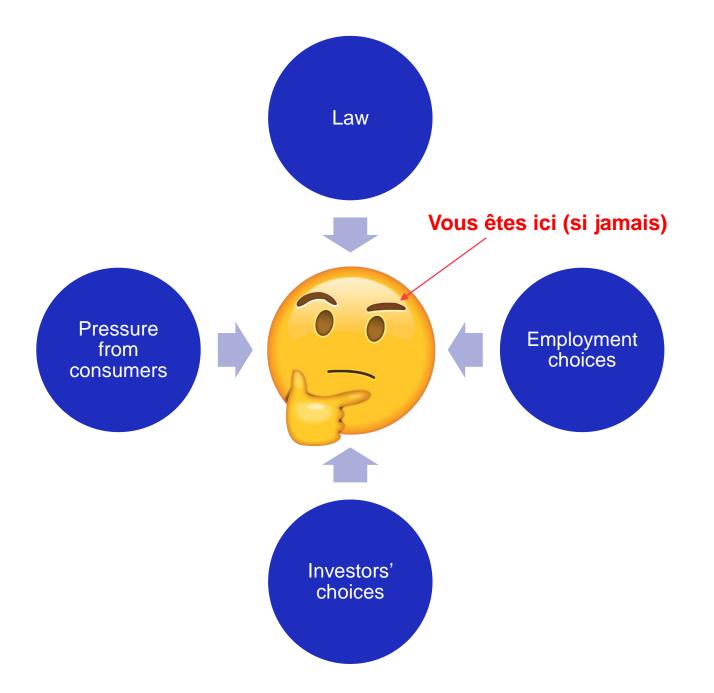
**▶** Isolation

► Declining fish stocks





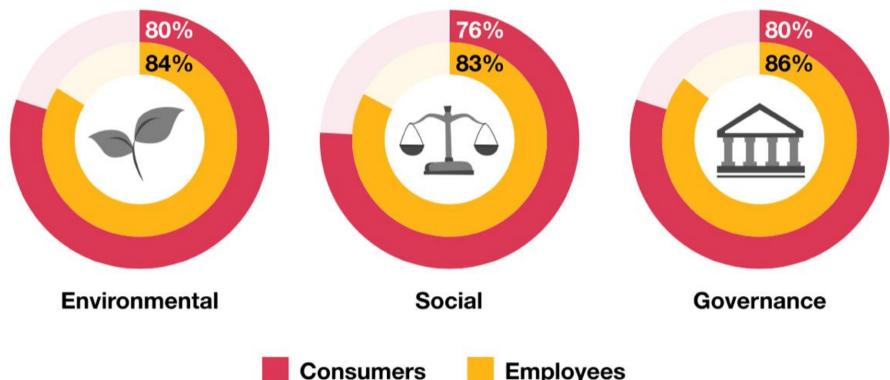
## Why should you care?





# ESG commitments are driving consumer purchases and employee engagement

I am more likely to buy from / work for a company that stands up for...









▶ 2015: UK Modern Slavery Act's Transparency in Supply Chains Provision



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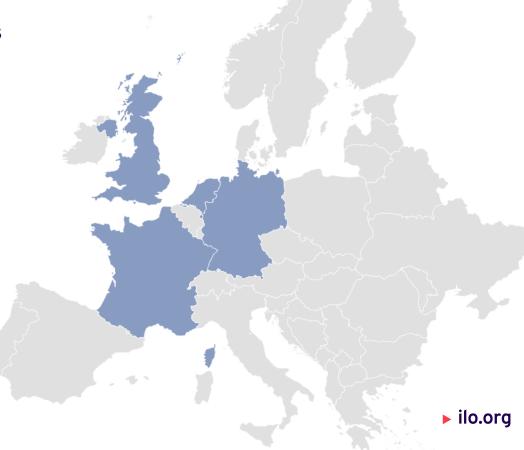


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- 2021: German "Supply Chain Act"





The rise of mandatory human rights due diligence legislation

What does it mean for business?

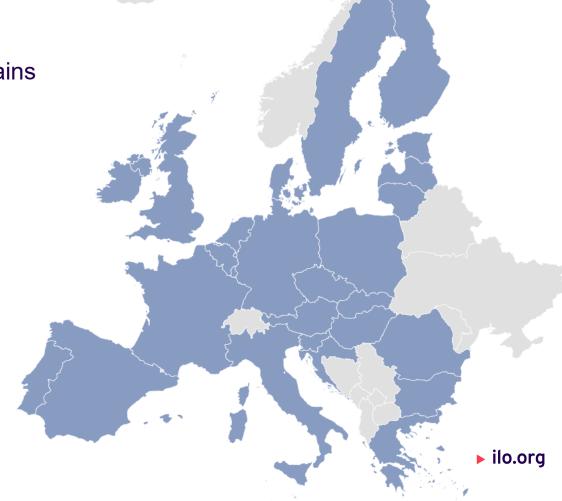
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2022: EU Resolution calling for a "Ban on Forced Labour"





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2021: German "Supply Chain Act"

2022: EU Resolution calling for a "Ban on Forced Labour"

▶ 2024: German "Supply Chain Act" applicable to smaller businesses of 1000+ employees

 Coming soon: EU's "Draft Directive on Corporate Due Diligence and Corporate Accountability" (Draft Directive)



## Mandatory Due Diligence Legislation: Good or bad for business?

Creates a level playing field

▶ Shifts responsibility from governments to companies

Legislation covering all tiers puts "unrealistic expectations on companies harming their competitiveness".

► Where do you stand? Discuss!





Hint: You might want to use these tools in your Pledge for World Ocean Day!!



## **Ecotrust Canada's Spyglass**

- Spyglass is a cooperative platform that publishes information from the criminal record of fishing vessels
- ▶ It gives users free access to the criminal history of individual large-scale fishing vessels and their companies/owners
- ▶ The database contains a record of various offences from 2010 to present day.
- Offences are divided into ten categories, including human rights and labour rights abuses
- ▶ It currently holds about 10,000 cases.





# **Global Fishing Watch**

- Combining Automatic Identification Systems, machine learning and human rights expertise, GFW identify vessels with a high-risk of engaging in human rights abuses. The indicators are 1) engine power, 2) maximum distance from port, 3) number of voyages per year, 4) average daily fishing hours, 5) total fishing hours in high seas
- ▶ 14 and 26 percent of the 16,000 fishing vessels included in the study were at high risk for forced labour during at least one year from 2012-2018. They are now further refining their indicators to narrow the search
- ▶ GFW has established a list of approximately 200 vessels with a record of noncompliance with working and living conditions requirements on board fishing vessels or of forced labour



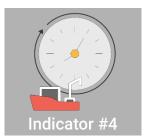






















### **OceanMind**

- Using satellites, remote sensing, big data techniques, and AI, OceanMind brings together and analyses multiple data sources to get an understanding of vessel behaviour
- ▶ By breaking down fishing into different phases, such as setting gear, soaking gear and retrieving gear, it is possible to then apply human expertise and experience to understand how long the crew would need to work at each phase for different gear types.
- ▶ OceanMind and Global Fishing Watch are combing their expertise to further refine their algorithms to narrow the search for vessels possibly using forced labour





### **Fishwise**

- ► The Roadmap for Improving Seafood Ethics (RISE) is a free, online resource set up by FishWise to help companies navigate challenges and create the conditions for decent work across the seafood industry. RISE includes: a) industry-specific due diligence guidance, b) tools and resources, c) access to a community of human and labour rights experts
- ► The RISE Roadmap includes guidance with eight simple steps that companies may take to build social responsibility programmes.





### **SALT**

- ▶ SALT is a global community of governments, the seafood industry and nongovernmental organizations working together to share ideas and collaborate on solutions for legal and sustainable seafood, with a particular focus on traceability – the ability to track the movement of seafood through supply chains.
- ▶ SALT has created the *Comprehensive Traceability Principles and Pathway*.
- ► The 'Pathway to the Principles' is a web-based portal laying out steps to implementing the Principles. It includes guidance on social and labour topics particularly as they intersect with traceability.
- ▶ SALT maintains a seascape map that compiles traceability, counter illegal fishing and social responsibility efforts throughout the world





### **C4ADS' Triton**

- ▶ Since 2017, C4ADS has developed an analytical methodology designed to consistently trace vessel ownership back through several layers of companies in an effort to identify fishing vessels' ultimate beneficial owners.
- ▶ In 2019, C4ADS built the Triton platform to share C4ADS information on vessel ownership publicly as a resource for fishing and seafood industry stakeholders interested in heighted transparency and enhanced traceability.
- ▶ By publicly disseminating such data, C4ADS aims to support enhanced due diligence and regulatory reform on an industry-wide scale.

TRITC



## **Group debate!**

For the motion: when addressing forced labour in fishing supply chains, businesses should prioritise...

- 1. Working with suppliers to improve working conditions OVER switching suppliers
- 2. Working on the end tiers of the supply chain OVER lobbying for government action
- 3. Knowledge sharing OVER reputational risk when advertising progress

## **Role Play**

- 1. ESG Manager vs CEO discussing cost of addressing forced labour in fishing
- 2. Public relations manager vs news reporter on a report of forced labour in the company's supply chain
- 3. Government relations officer vs EU country deciding on the Due Diligence Directive on the need for a level playing field