

Marine Stewardship Council (MSC)

Fact Sheet

September 26, 2013

About the MSC program

Summary

The Marine Stewardship Council (MSC) is an international nonprofit organization set up to help transform the seafood markets to a sustainable basis. The MSC runs the only certification and ecolabeling program for wild-capture fisheries consistent with the ISEAL Code of Good Practice for Setting Social and Environmental Standards and the United Nations Food and Agricultural Organization Guidelines for the Eco-labeling of Fish and Fishery Products from Marine Capture Fisheries. These guidelines are based upon the FAO Code of Conduct for Responsible Fishing.

MSC governance and operations reflect balanced interests

MSC is an independent, private, nonprofit organization not affiliated with any single sector; it is not an industry-led program, not an NGO, not engaged in fishery management and not part of the commercial seafood sector. MSC's Board and Stakeholder Council have a balanced membership representing the fishing industry, seafood supply chain, conservation organizations and science.

MSC is a global organization

The MSC is a global organization, not a "foreign" organization. The Board and Stakeholder Council have members from the following countries (arranged by the number of representatives): USA, UK, Australia, Germany, Canada, Netherlands, Argentina, Denmark, France, Kenya, Mexico, Norway, New Zealand, Indonesia, Japan, Nigeria, Peru, Portugal, South Africa and Singapore. MSC maintains offices in the UK, USA, Canada, Europe, South Africa, South America, Asia and Australia.

Global fishery and traceability standards address global sourcing

The MSC maintains two global standards, one for evaluating the sustainability of fisheries and one for ensuring that any seafood carrying a claim of MSC certification is traceable to a certified fishery. The United States imports the majority of its seafood, and the MSC program includes complete and audited traceability that assures buyers and consumers in the U.S. and around the world of the origin and sustainability of the seafood they purchase.

The MSC is a credible, science-based program

According to a number of independent benchmarking studies, no other seafood sustainability certification program approaches the credibility and market acceptance of the MSC program. When compared against a number of different internationally recognized codes of good practice, including the FAO Ecolabeling Guidelines for the ecolabeling of fish and fishery

products from marine capture fisheries, the MSC consistently scored more than 50% higher than other marine seafood ecolabeling and certification systems.¹ To be credible with buyers, consumers, governments and conservation organizations around the world, and bring meaningful market and other benefits to fisheries, a program must adhere to robust processes.

MSC standards represent scientific consensus, not special interests or agendas

MSC does not and cannot, set arbitrary standards. The MSC is governed by a Board of Trustees, with a requirement for diverse representation from multiple sectors, including the fishing industry. The Board has determined that new science will only be accepted once its application in management has broad acceptance internationally as best practice. MSC operates a formal, balanced process for developing its standard, with wide and equivalent consultation with the fishing industry, conservation community, and scientists.

Fisheries are assessed against a standard based on outcome and science

The MSC standard requires fisheries that have voluntarily entered assessment to demonstrate both the intention for good management, which is often embedded in national law/requirements, and evidence of good management, measured as the actual impact that a fishery has on the environment. The MSC standard is rigorously applied in this way, and certifying bodies are required to scientifically determine that the “outcome” of management is in fact a sustainable fishery, supporting this with numerous scientific references and supporting analyses. MSC does not prescribe any particular management practices or gear types and is open to all fisheries (with the exception of those engaged in the use of poison, dynamite and shark finning) that wish to seek assessment to its global standard for sustainability.

MSC does not engage in nor interfere with fishery management

MSC appreciates the high quality of fishery management and commitment to sustainability by many national and state governments, laws and authorities. MSC does nothing to interfere with management of fisheries and are not fishery managers, nor influence the independent certifiers and scientific assessment teams. MSC does give fishery managers a way to demonstrate sustainable management to the market and to stakeholders through a rigorous, science-based process.

MSC uses independent, third-party certifiers and accreditation

MSC uses a system of independent, third-party certifiers, overseen and accredited by a third-party accreditation agency, to ensure impartiality and rigor in the application of the MSC standard. No other wild seafood certification system operates to this level of objectivity. Currently there are nine certifiers accredited for fishery certification, most of which have global capacity and are able to assess fisheries anywhere in the world. The majority of accredited certifiers are based in North America and Europe, with one in Australia and one in Argentina,

¹ [Accenture \(Dec, 2009\)](#) compared the following: MSC, Naturland, Friend of the Sea, Krav, AIDCP, MEL-Japan, Southern Rocklobster; [James Sullivan Consulting \(Sept 2012\)](#) compared the following: MSC, Friend of the Sea, ASMI, Iceland Responsible Fisheries; [Monterey Bay Aquarium \(Jan 2013\)](#) determined that MSC certification was at least equivalent to their “best alternative” designation.

and they have certified fisheries in more than 25 countries. There are 20 Chain of Custody certifiers based in the USA, Europe and elsewhere with similar global capacity. A fishery or company seeking assessment may choose any accredited certifier they like. For example, if an American fishery wishes to engage an American certifier, they are able to do this.

ISO Accreditation/Certification

As MSC is a standard setter and not a certification body MSC can't be accredited to ISO (International Organization for Standardization) Guide 65 or other ISO Guide. Neither can any other standard setting body. However, MSC recognizes the importance of ensuring that certification bodies conducting MSC fishery assessments and Chain of Custody audits are compliant with ISO Guide 65 and has therefore embedded these requirements in the program. All accredited certifiers for MSC assessments therefore have to be accredited to ISO Guide 65/17065 by MSC's accreditation body Accreditation Services International (ASI).

Certification assessment is done by scientific experts with local expertise and knowledge of the fishery

Under MSC requirements, when a certifier is contracted by a fishery to conduct an assessment, the certifier identifies three fishery science experts to serve as the assessment team. At least one must have direct expertise in the fishery being assessed. For example, in the Alaska salmon reassessment currently underway, team members include scientists who are Alaskans with prior experience in the Alaska Department of Fish and Game. In any fishery assessment, stakeholders are notified of the nomination of team members and have an opportunity to comment on their selection.

Conditions of certification motivate continuous improvement

All fisheries must meet the MSC's overall sustainability benchmark in order to be certified. All certification systems have ways of identifying issues that require some improvement, but do not critically invalidate the certification. In MSC Chain of Custody certification, and in many other programs, these are called "non-conformances." In MSC fishery certification, they are called "conditions," and they are raised when a particular issue meets the standard's minimum level of sustainability but does not meet its "best practice" level. Conditions of certification require a specific, time-bound action plan from the certificate holder to improve the fishery's performance beyond the MSC's minimum sustainability standard during the certificate period, and progress is monitored during annual surveillance audits.

MSC works with stakeholders to reduce complexity in certification

Assessment to the MSC standard is a rigorous, inclusive, open, scientific process that requires analysis of data to verify the health of stock, impacts on the ecosystem and management systems. MSC, through its established and open governance and policy process makes every effort to streamline the process as much as possible without losing essential integrity of the evaluation. This balance is one of the key factors in successful application of the MSC program.

MSC operates a transparent, not for profit, business model

MSC is funded by a combination of philanthropic contributions and logo license revenue generated from the voluntary use of MSC's consumer facing ecolabel. Participation in MSC certification is voluntary and MSC receives no money in relation to independent assessments to either MSC standard. The only cost in the program that is paid directly to MSC is for voluntary use of the MSC logo on a product. There are two levels of royalties: a fixed royalty and a volume royalty. The fixed royalty applies to all voluntary logo uses using a sliding scale depending on sales, with a maximum fee of \$2,000 per year per company. The volume royalty is applied when a product is sold in a consumer-facing package bearing the MSC logo and is calculated on up to 0.5% of the net wholesale value. The volume royalty is applied only once in the supply chain and most fisheries or primary processors do not pay it. In the case of Alaska salmon, more than 90% of the logo licensing fees are paid by European companies that want to use the MSC ecolabel. The volume royalty is waived for educational institutions. The MSC is a nonprofit and fees support operation of the program, as well as marketing, awareness activities, commercial outreach, media work and other benefits for fisheries and companies participating in the program.

MSC has no financial engagement in assessments

Fisheries and supply chain companies contract with independent, accredited third-party certifiers for assessment to either MSC standard. The costs are negotiated between the company wanting to achieve certification to the MSC standard and the independent certification company so the MSC does not have a say in either the certifier that will be contracted or the cost of that certification. MSC does not set fees and is not involved in the negotiation of contracts.

Typical costs of MSC assessment

The fees charged by the certifier to the fishery or supply chain client are based on compensating time and expenses of the professionals involved in the assessment process. All fees and costs are paid directly to the independent certifier. The ranges below are only examples of typical costs and do not represent actual contract amounts or limits. MSC is actively working, in its current Fishery Standard Review, on mechanisms to significantly reduce these costs further where possible without reducing the integrity of assessments.

Third-party costs for fishery assessment

Fishery assessment against the MSC standard includes three stages: pre-assessment, full assessment and, once certified, four annual surveillance audits over the five-year life of the certificate.

Pre-assessments are optional but highly recommended, and often save money in the full assessment process. Costs range from \$15,000 to \$25,000 per fishery depending upon fishery complexity (number of stocks, gear types, jurisdictions, etc.).

Full assessments range from \$75,000 to \$150,000. For highly complex fisheries this number can be higher.

Annual surveillance audits monitor changes in the fishery to ensure nothing significant has impacted the certification and are typically 15-20% of the price of the initial full assessment.

In the case of Alaska salmon, MSC is covering 75% of the current reassessment costs, reimbursed under a special pilot fund established by the MSC Board for eligible fisheries undergoing a third assessment to the MSC standard.

The MSC has found that the overall cost for most fisheries to become certified and maintain fishery certification ranges from fractions of a penny per pound to pennies per pound, when averaged over the five-year life of a fishery certificate.

Third party-costs for “Chain of Custody” traceability audits

Chain of Custody is the MSC traceability program that ensures products from a certified fishery sold as MSC-certified can be traced back to the exact fishery. It is required for any company that handles fish in a way where there is opportunity for substitution or co-mingling. It is not required for companies only handling final consumer-ready packaging. Each company in the supply chain is responsible for its own audit and contracts directly with an independent auditor. The costs are approximately \$1,500 - \$3,500 per year plus travel costs for product manufacturers and \$25-\$75 per location plus travel costs for retailers and restaurants, although economies of scale often help (i.e. two or more nearby companies or locations audited at the same time).

There is absolutely no credible evidence behind claims that fishery or other MSC certification costs run into the millions of dollars.

MSC is not a brand itself but supports brands and fishery of origin labeling

MSC is a voluntary program with a mission to promote sustainable harvesting of seafood and works collaboratively with partners to positively influence businesses that engage in seafood. It has no products itself or means to control companies' trade or marketing decisions. The MSC ecolabel is recognized worldwide, and it does not compete with but underpins and enhances national or company brands, strengthening their image and market interest.

MSC reinvests to ensure that the supply chain is free of mislabeling

Research in New York, Boston, California and elsewhere shows a very high rate of substitution and mislabeling in seafood. MSC invests in ensuring integrity in the supply chain, using traceback and DNA testing. Out of 381 MSC-certified samples taken from MSC global supply chains sampled in 14 countries, over 99% were correctly identified by species – a mislabeling rate of less than 1%. This compares with recent industry reports indicating non-MSC seafood mislabeling rates in the USA of 18-56%². This is a significant benefit for fisheries that may otherwise suffer from substitution of lower quality fish bearing their name.

² [Oceana, February 2013. Study Reveals Seafood Fraud Nationwide.](#)

The Alaska salmon fishery continues to participate in the MSC program

Statements that the Alaska salmon fishery is no longer participating in the MSC program are not accurate. The Purse Seine Vessel Owners Association (PSVOA), joined by several Alaskan processing companies, are serving as the client group and submitted the entire Alaska salmon fishery for reassessment for continued certification to the MSC standard. That process is nearly complete for 13 of the 14 fishery units. The 14th unit covering the Prince William Sound area is being held back until the publication of more data that will allow full assessment of this unit to be completed.

Major buyers are not rejecting Alaska seafood or being unpatriotic

Statements that major companies were going to discontinue buying Alaska seafood were not accurate. Many of Alaska's fisheries are MSC-certified, and Alaska salmon is completing a recertification process. Buyers with commitments to MSC certification indicated they would continue to seek MSC certified seafood from Alaska but gave no indication they would stop sourcing Alaskan fish. Additionally, claims that participating in the MSC global program threatened the American industry and American jobs are not true. Seafood is globally traded. Alaskan fisheries send their fish to China, Thailand and elsewhere for processing. They sell their fish to buyers in Europe, Asia and elsewhere. This global trade is what supports American and Alaskan fishing jobs and related work in the Alaskan fishing industry.

The MSC is committed to its partnership with Alaska

MSC respects and has worked well for more than a decade with Alaska fisheries, processors and others in the Alaska seafood industry and hopes to continue forward in a mutually supportive relationship, as it does with other industry and industry marketing bodies across the globe. For Alaska salmon and other MSC certified fisheries the MSC provides added value, including full traceability from landing site to point of sale, that does not compete with but complements and strengthens their marketing and branding. MSC is designed to positively motivate and work with fisheries and has not and does not disparage fisheries, MSC certified or not.

For more information, please visit the MSC website at www.msc.org. For further questions, please contact americasinfo@msc.org