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Thank you, Scott.

I'm pleased to talk to you today about the Marine Stewardship Council's standard and the review of that standard currently underway.

What the MSC is doing in the ocean fishery world is but a part of the much larger picture we are discussing today: buyers looking to factors beyond price and quality and demanding that the producers and suppliers of products and services meet environmental standards.

MSC is a global player in the Sustainability Revolution. To address the problem of overfishing, it sets a standard for sustainable ocean fishing, it certifies the applicant fisheries that meet the standard, and it provides an ecolabel for certified fish. To date, about 10% of world catch is involved in the MSC program.

MSC's engine for change is based on demand by buyers for responsible practices in the supply chain. This market demand rewards fisheries that meet environmental standards, and it provides an incentive for lower performers to "up their game."

The market demand is coming in part from consumers, but the most powerful demand is coming from retailers and seafood product companies. The businesses making this demand are in many cases large companies that are attentive to Corporate Social Responsibility, and they are telling their supply chains that they prefer, and sometimes require, fish from sustainably managed fisheries. Examples in the US include WalMart, McDonalds and Whole Foods Market.

As the pioneer in fisheries certification, the MSC has accumulated a few critics at both extremes of the spectrum. But, since its founding 16 years ago, MSC has been and remains today the leading program for assessing the sustainability of global marine fisheries.

**One of the reasons that the MSC has achieved this position is because of good design. Let me summarize the design features.**

The MSC standard is based on sound and objective science. Scientific decisions are transparent and vetted through a public comment process before being approved by the advisory board of scientists, and then sent to the board of trustees for adoption.

While the standard is a high one, it is proportional, that is, the standard is not beyond what is required to meet the goal of the program, namely to stop the depletion of ocean fish resources.

The MSC program is the only one that meets the extensive guidelines for certification and ecolabeling of fish, established by a United Nations body, the UN Food and Agriculture Organization.

The program uses an objective 3d party approach as opposed to first party or second party approaches of some other programs. While the MSC sets the standard, the assessments of fisheries are performed by teams of highly-qualified and independent scientists, who in turn are monitored by an independent accreditation organization.

MSC's governance is highly inclusive – MSC is a very big tent that covers scientists, fishers, seafood companies, retailers, and conservation groups. One of our mottoes is taken from a Jack Johnson song, "Better Together." Governance is intentionally balanced, so that no one sector dominates. Each of these groups has an assured place on the board and on the stakeholder council.

There are other checks and balances:

The assessment process is highly transparent and is open to the scrutiny of anyone with an interest in the fishery. Relevant parties are notified of the assessment and invited to provide information and comments. The assessment results are described in a series of reports produced by the scientific team, peer reviewed by other independent experts, and posted on the MSC website.

An important part of the MSC assessment process is the opportunity for the applicant fisheries as well as interested conservation groups to file an appeal to an assessment scoring. This appeal is heard by one of the group of independent, experienced lawyers that MSC has engaged to serve as judges.

Complementing the MSC standard for sustainable fisheries is the Chain of Custody standard which must be met in order to assure that the fish actually comes from a certified fishery.

### **Let me describe MSC's standard:**

At the first level, are three high-level principles:

Principle 1: that the targeted fish stocks are healthy;

Principle 2: that the fishery does not jeopardise other fish stocks or the ecosystem; and,

Principle 3: that management of the fishery (which is normally by a government body) is sufficiently competent.

At the second level of the standard are 31 indicators that are tested to demonstrate whether the three Principles are met. For example, an indicator would test whether the catch rate of a fish stock is exceeding the reproductive rate.

Each of the 31 indicators receives a numerical score. Certification is based on meeting the required weighted average score in each of the 3 Principles. And, for any individual indicator that is scored below the required average, the fishery must adopt an Action Plan to improve that indicator to the required level within a period that is normally equal to the certification period of 5 years.

### **Review of the Standard**

The MSC is now conducting a multi-year process of reviewing its standard. The review is heavy with due process. It is transparent, and highly inclusive, with participation by multiple stakeholder groups.

In order to assure the stability of the standard, and fairness to the fisheries that are already in the program, not everything in the standard is up for grabs. For example, the principles are not subject to change. The focus will be on lessons learned in applying the indicators. And, changes to indicators will be made only if the changes reflect widely accepted advances of scientific knowledge and if such new scientific knowledge has been integrated into fishery management best practice.

Proposed changes will undergo public consultation to ensure that all interested parties may comment. Following the consultation, the MSC's stakeholder council and technical advisory board will make comments and recommendations to the board of trustees who will make the final decision regarding changes.

Once the changes to the standard are adopted, an implementation period will be provided to fisheries already in the program, in order to allow them to take appropriate action if necessary to adjust their practices to changes in the standard.

Thank you, for your interest in our standard and the process of reviewing the standard.