



# Study on forced labour in the fisheries and aquaculture market

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# Disclaimer

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Sakana Consultants is notably involved in long term contracts with

- 1- the Global Seafood Alliance (certification programmes BAP, FRVS)
- 2- the Global Dialogue on Seafood Traceability

# Aim of this study

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In the context of the proposal for a new regulation on prohibiting products made with forced labour on the Union market in September 2022

- Collecting information sources on species/products/countries/companies most likely to be connected to forced labour (both EU production and imports)
- Identifying Member States' initiatives to fight forced labour in the supply chain and industry initiatives to combat forced labour in the supply chain
- Broad economic analysis of the presence of forced labour
- Drafting recommendations to the Commission and Member States for potential consideration during the interinstitutional negotiations.

This legislation should be understood as part of a larger framework with the Corporate Sustainability Due Diligence Directive.

# Forced labour

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Defined by the ILO Forced Labour Convention, 1930 (No. 29), reinforced by

- The United Nations Supplementary Convention on the Abolition of Slavery, the Slave Trade, and Institutions and Practices Similar to Slavery (1956).
- The ILO Abolition of Forced Labour Convention, 1957 (No. 105).
- the ILO Worst Forms of Child Labour Convention, 1999 (No. 182).
- The Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime, 2000 (the Palermo Protocol)

*“The vast majority of ILO member States have ratified Conventions 29 and 105 on forced or compulsory labour and have ratified the “Palermo Protocol” against human trafficking. Consequently, they are required to make this practice a crime. This means forced labour and human trafficking are punishable as crimes in most countries around the world, and that companies found involved in such activities could face prosecution.” (ILO 2015)*

# Modern slavery

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Two key principles:

It's cheap

It's easily replaceable

In 1850, a slave would cost the equivalent of 40 000 USD in American confederate states  
(converted in 2019 USD)

In 2019, the average cost for a slave was estimated at 90 USD

Source: Disposable People: New Slavery in the Global Economy

# Identifying Forced Labour

## Indicators of Forced Labour as defined by ILO

1. Abuse of vulnerability
2. Deception
3. Restriction of movement
4. Isolation
5. Physical and sexual violence
6. Intimidation and threats
7. Retention of identity documents
8. Withholding of wages
9. Debt bondage
10. Abusive conditions
11. Excessive overtime

## Complexity of Identification

Certain indicators are more straightforward (e.g., physical violence, retention of documents), while others like excessive overtime or abusive conditions can be subtler.

The boundary between unfair social practices and forced labour can be challenging to assess.

Example: what is the boundary between unfair social practices and forced labour in the context of excessive working time ?

# Particularities of the fishing sector

## **Hazardous Conditions at Sea**

Dangerous working conditions and long hours  
Lack of adequate safety equipment  
Isolation and Oversight

## **Vessels operate in remote and international waters**

Limited communication and recourse for workers  
Illegal Recruitment

## **Industry associated with human trafficking and fraud**

Deceptive practices and debt bondage  
Undeclared and Unregulated Work

## **Informal economy with unregistered workers**

Lack of legal labour protections  
Complex Supply Chains

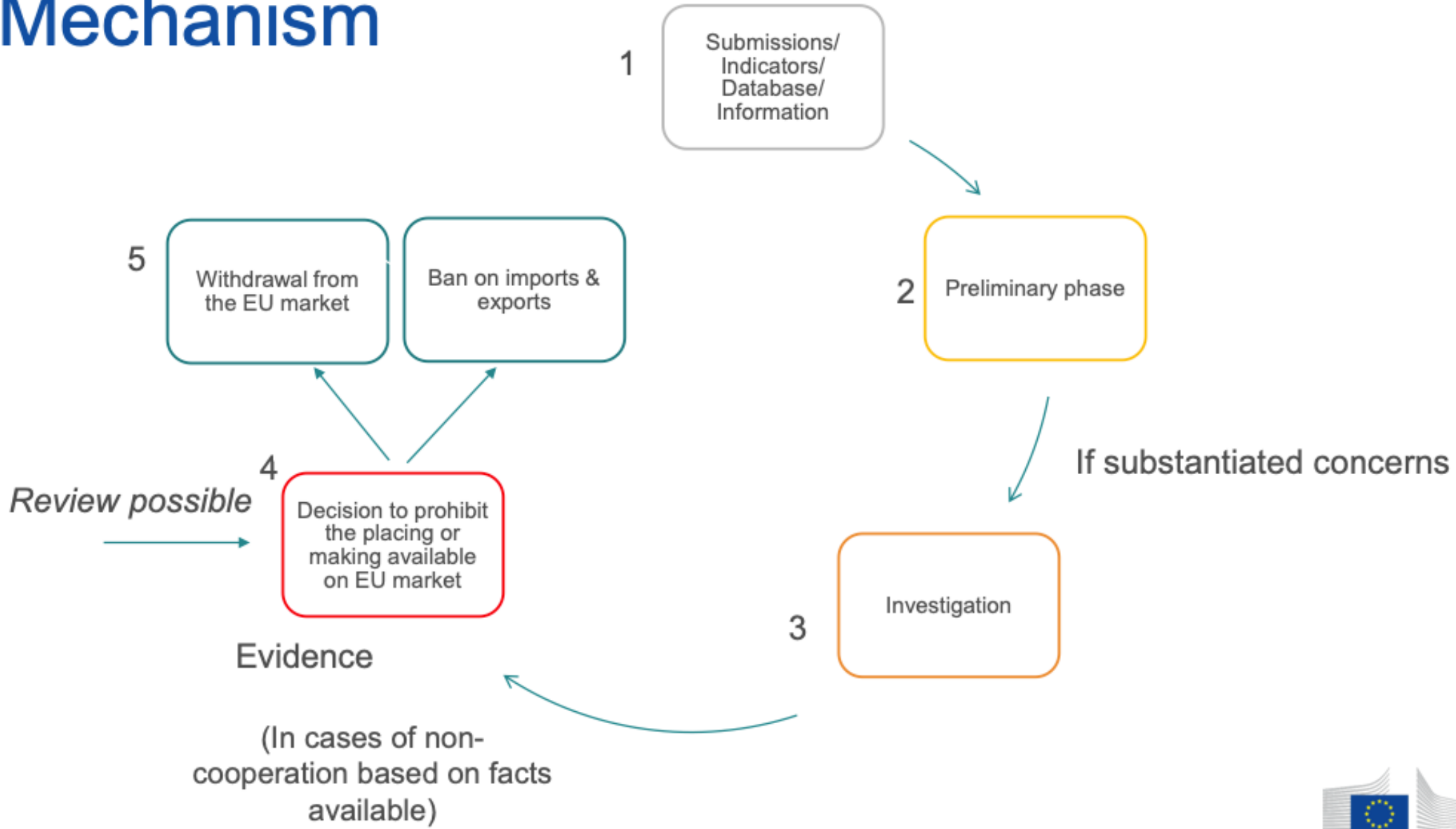
## **Difficulties in traceability and transparency**

Working conditions can be exploited, forced labour undetected  
Way Forward

## **Recognition of risks, robust coordination and cooperation**

Appropriate regulations, monitoring, responsible practices  
Protection of workers' rights, promotion of ethical industry

# Mechanism





# Initiatives inside the EU

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Forced labour in Member States legislations: mentioned everywhere, but few specific tools

Guidelines: few documents that are really applicable (exception: Denmark, which is published in English)

Due diligence legislations: already implemented in few Member States:

- France: French Duty of Vigilance law (Loi de Vigilance)
- Germany: German Act on Corporate Due Diligence Obligations in Supply Chain
- High thresholds but trickle down effect

The European sectoral social dialogue committee for sea fisheries:

Joint declaration on minimum conditions for social certification in the seafood supply chain (minimum: ILO C188)

# Regulatory initiatives outside the EU

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**Multilateral Processes:** Call to Action to End Forced Labour (2017)

**Group of Experts on Action against Trafficking in Human Beings**

**Norway:** Act on business transparency and work with fundamental human rights and decent work (2021) => due diligence

**United Kingdom:** UK Modern Slavery Act 2015 => encourages transparency and due diligence

**USA, Federal Level:** US Tariff Act of 1930 (modified) prohibits importing goods made using forced, indentured, or convict labour.

**USA, State level:** California Transparency in Supply Chains Act of 2015 => due diligence

**Canada:** Ban on goods linked to forced labour + requirement for importers to implement due diligence processes

**Australia:** Modern Slavery Act (2018) => due diligence

**New Zealand:** "Plan of Action Against Forced Labour, People Trafficking and Slavery" (2021) – due diligence legislation planned

# Market-based initiatives

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**RISE (Roadmap for Improving Seafood Ethics):** collaborative approach to improve global seafood industry, focus on social responsibility, sustainability, transparency.

**SRA (Social Responsibility Assessment):** tool to assess social responsibility in seafood operations, covers labour rights, working conditions, human rights, community engagement, environmental sustainability.

**SSRT (Seafood Social Risk Tool):** data-driven tool to identify social risks in fisheries and aquaculture supply chains, uses public data and statistical modelling.

**Onboard Social Accountability (OSA):** promotes transparency, participation, grievance redress in the fishing and aquaculture industry, technical framework to establish social accountability mechanisms.

**Fishery Progress:** Human Rights and Social Responsibility (HRSR) Policy : help FIPs identify and reduce the risk of human and labor rights abuses at the harvest stage of their supply chains.

**Responsible Sourcing tool (RST):** online resource to ensure supply chains are free from forced labour and human rights abuses, offers specific guidance and resources for fisheries and aquaculture industry.

**The Sustainable Supply Chain Initiative (SSCI):** promotes responsible sourcing practices, develops benchmarking system for social and environmental certification schemes, partnered with Global Seafood Sustainability Initiative (GSSI) for At-Sea operations framework.

# Fisheries and aquaculture certifications

**Responsible Fishing Vessel Standard (RFVS):** Promotes responsible, sustainable fishing practices, and covers social, environmental, and safety issues.

**Fair Trade USA Capture Fisheries Standard:** Fishing operations meeting social, environmental, and economic standards – sustainable, ethical practices.

**Marine Stewardship Council (MSC):** Sustainable fishing, endorsement for environmentally sound practices, less comprehensive for social issues.

**Friend of the Sea (FOS):** voluntary scheme promoting sustainable practices, including social criteria for human rights, working conditions, and community support.

**Aquaculture Stewardship Council (ASC):** includes social criteria for worker treatment, community engagement, and compliance management.

**Best Aquaculture Practices (BAP):** promotes responsible, sustainable practices in aquaculture, and covers environmental, social, and animal welfare criteria.

**GLOBALG.A.P.:** ensures safe, sustainable agricultural practices, including social criteria for labour laws, worker health, safety, and community engagement.

**SMETA:** audit methodology for social and ethical standards compliance.

**AMFORI:** business association promoting responsible sourcing, provides auditing, certification for ethical labour standards, environmental best practices, offers capacity-building programs

# Databases

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**The Global Slavery Index:** developed by the NGO Walk Free, classifies countries based on the prevalence of modern slavery, vulnerability factors, and government responses, with one database specifically focusing on fishing operations (the last update was in 2018).

**Fragile State Index (FFP):** Developed by US NGO FFP, providing an annually updated risk matrix assessing political and economic fragility across 179 countries based on 12 synthetic indicators.

**The University of Pennsylvania labour rights indicators:** Method for creating a country-level synthetic indicator on compliance with freedom of association and collective bargaining rights (updates are not regularly maintained).

**The US Department of State Trafficking in Persons Report:** Annual evaluation of how countries combat human trafficking.

**The list of goods produced by child labour or forced labour (ILAB):** Maintains a list of goods and their source countries associated with child and forced labour.

# The list of goods produced by child labour or forced labour (ILAB)

COUNTRY/AREA	GOODS	CHILD LABOUR	FORCED LABOUR
Bangladesh	Dried Fish	X	X
Brazil	Fish	X	
Cambodia	Fish	X	
China	Fish		X
El Salvador	Shellfish	X	
Ghana	Fish + Tilapia (Fish)	X	X
Honduras	Lobsters	X	
Indonesia	Fish	X	X
Kenya	Fish	X	
Nicaragua	Shellfish	X	
Paraguay	Fish	X	
Peru	Fish	X	
Philippines	Fish	X	
Taiwan	Fish		X
Tanzania	Nile Perch (fish)	X	
Thailand	Fish		X
Uganda	Fish	X	
Vietnam	Fish	X	
Yemen	Fish	X	

# Creating an EU database to support risk assessments

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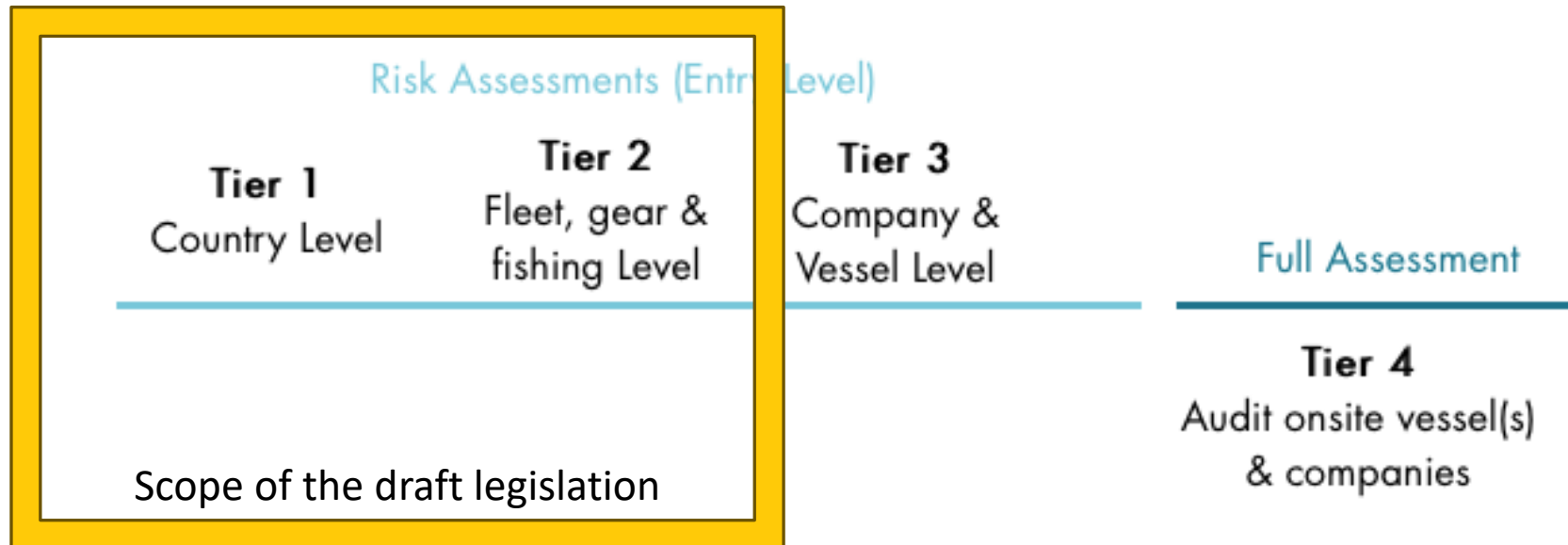
At this stage, the intention is to gather public information on countries and products, not on companies.

## Main issues:

- Multi-stakeholder process? Who is in, who is out?
- Specificity of fisheries activities – aquaculture could be compared to farming, fish processing compared to other processing sectors
- Most tools are using ad hoc data – very little derived from international organisation databases (ILO, World Bank...), most variables developed by researchers, qualitative analysis transcribed numerically (scores)
  - Question of bias and transparency
  - Replicability
  - Irregularity of updates
- Once the database is created, how to use it => issue of weighting (**not to be underestimated**)
- How to link this effort with the CSDD directive

# Creating an EU database to support risk assessments – II

Example from the Onboard Social Accountability process (OSA)





# Example of database - I

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US State Dept - 2022 Trafficking in Persons Report

US Labor Dept - Child Labour in Seafood

US Labor Dept - Forced Labour in Seafood

US Labor Dept – Child and Forced Labour in Seafood combined

Corruption perceptions Index 2022

Fragile State Index - P3 Human rights and rule of law

Fragile State Index - E2 Uneven economic development

Fragile State Index - S2 Refugees and IDPs

University of Pennsylvania - Labor right indicators

Global Slavery Index Fishing - Policy

Global Slavery Index Fishing - Economics & Governance

Global Slavery Index - Prevalence

Global Slavery Index - Governance Issues

Global Slavery Index - Nourishment and Access

Global Slavery Index - Inequality

Global Slavery Index - Disenfranchised Groups

Global Slavery Index - Effects of Conflict

Global Slavery Index - Final overall

# Example of database - II

Using the example of the Better Cotton Initiative, weight structure for fisheries and aquaculture products at processing level

=> Excel Spreadsheet

Variable	Weight
US State Dept - 2022 Trafficking in Persons Report	15,0%
Corruption perceptions Index 2022	35,0%
GSI Prevalence	10,0%
GSI Effects of Conflict	10,0%
Fragile State Index P3 Human rights and rule of law	7,5%
Fragile State Index E2 Uneven economic development	7,5%
Fragile State Index S2 Refugees and IDPs	5,0%
University of Pennsylvania - Labor right indicator	10,0%

# Problematic duos with this example

total value 4,2M€ out of 27,2M€ (15% of imported value)

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Cod - Russia  
 Cod - China  
 Tuna, skipjack - Philippines  
 Tuna, skipjack - Papua New Guinea  
 Tuna, skipjack - China  
 Tuna, skipjack - Ghana  
 Tuna, skipjack - Thailand  
 Tuna, skipjack - Colombia  
 Alaska pollock - China  
 Alaska pollock - Russia  
 Shrimp, warmwater - India  
 Shrimp, warmwater - Venezuela  
 Shrimp, warmwater - Nicaragua  
 Shrimp, warmwater - Honduras

Squid - India  
 Squid - China  
 Squid - Thailand  
 Shrimp, miscellaneous - India  
 Shrimp, miscellaneous - China  
 Shrimp, miscellaneous - Honduras  
 Shrimp, miscellaneous - Thailand  
 Other cephalopods - India  
 Other cephalopods - China  
 Tuna, yellowfin - Papua New Guinea  
 Tuna, yellowfin - Philippines  
 Tuna, yellowfin - Ghana  
 Tuna, yellowfin - Guatemala

Other marine fish - Sri Lanka  
 Other marine fish - China  
 Other marine fish - Senegal  
 Salmon - China  
 Other flatfish - China  
 Other freshwater fish - Russia  
 Other freshwater fish - China  
 Octopus - Senegal  
 Other crustaceans - China  
 Nile perch - Tanzania  
 Tilapia - China  
 Haddock - Russia  
 Cuttlefish - Senegal  
 Saithe - China  
 Surimi - Thailand

# Recommendations

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Pushing for the ratification of ILO Convention 188

Strengthening multilateral engagement

Establish within the European Union a dedicated organisation for the maintenance and management of comprehensive databases on both social and environmental issues.

Developing more nuanced approaches to risk assessment, considering the nature of forced labour

Developing a severity scale for forced labour

Enhancing transparency and stakeholder engagement in the regulation

Ensuring transparency in investigations

Establishing a transparent list of companies linked to forced labour for effective due diligence

Establishing a transparent mechanism for companies to demonstrate compliance and exit the list of companies linked to forced labour