



Working together for thriving oceans

The MSC Annual Report 2018 – 19

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Time to seize the moment



This is a vital time for the sustainable seafood movement. The MSC's mission of contributing to the health of the world's oceans by recognising and rewarding sustainable fishing practices has never been more important.

Every day, our planet has 200,000 new people to feed. Seafood is a highly nutritious, renewable, low-carbon food source – but only if it's managed sustainably. Unfortunately, the trends continue to go in the wrong direction, with the latest UN figures showing that a third of all fish stocks have been overexploited. Overfishing – along with pollution, climate change and other pressures – has pushed our oceans to crisis point.

And yet this feels like a time for optimism – and a time for change. The world has woken up to the crisis facing our oceans. The UN Sustainable Development Goal to conserve and sustainably use the ocean and marine resources has galvanised new partnerships and frameworks. We're seeing increasing political and corporate commitment, backed up by unprecedented consumer concern sparked by programs like the BBC's Blue Planet II and Netflix's Our Planet and growing awareness of ocean plastics and the climate crisis.

The MSC is determined to be part of the solution. For over 20 years, thanks to the commitment, engagement and leadership of our partners, we have demonstrated a concept that works – a market-based system that recognises and rewards sustainable fishing. Our program enables companies and consumers to play their part in supporting change on the water, while certified fisheries have made hundreds of documented improvements to safeguard fish stocks and conserve marine environments.

Today, 15% of the global marine catch is MSC certified, and the value of the MSC certified sustainable seafood market is approaching US\$10 billion per year. This makes the MSC a powerful engine for change – but we need to do more. Our goal is to have 20% of the global seafood catch engaged in the MSC program by the end of next year, and 30% by 2030. We know this is ambitious – but it reflects the scale and urgency of the challenge ahead.

In particular, we want to catalyse change in the Global South, where fishing is so vital for food and livelihood security. While our market-based program remains a crucial part of this, we are also looking beyond certification to see how we can use our knowledge, experience and tools to build capacity and help fisheries and governments chart a course towards sustainability. With this in mind, a particular highlight for me last year was launching our Ocean Stewardship Fund at the Our Ocean conference in Bali in October. The fund will provide £1 million to support sustainable fishing, particularly within the developing world and small-scale fisheries.

Everyone involved in supporting sustainable seafood should be very proud of what has been achieved over the last two decades. But what happens next is even more important. We all need to step up to deliver the change our oceans urgently need.

**Rupert Howes,
Chief Executive**

Firm foundations



The MSC provides a globally accepted standard and a market mechanism that support the sustainable management of life in our oceans. These are built on the strong foundation of multi-stakeholder governance, the energy and expertise embodied in our board, executive team and staff, and more than 20 years' work with experts in seafood and ocean conservation.

All this has enabled us to make important contributions towards securing seafood supplies and oceans teeming with life. But we cannot stand still. There are still many regions of the world, particularly in the Global South, where fisheries are not well managed and where we continue to see the "tragedy of the commons" play out. We're committed to doing what we can in the fight against overfishing in these regions.

We know that we cannot simply expect the same things that have worked elsewhere to translate into different contexts. It is not enough to encourage individual small-scale or developing world fisheries to seek certification: much work needs to be done to strengthen institutions and governance structures and create an enabling environment for sustainable fisheries management. This is something we have been working on for some time, and we have invested a lot into increasing our efforts and capacity in the Global South and among small-scale fisheries – though we know there is still more work to be done, including to bring in more local voices and expertise.

As well as adapting to different contexts, we need to be capable of adapting to change. This is particularly relevant in the context

of climate change, which is already altering the nature of our oceans. We must make sure we continue to accommodate these changing realities and the science and best practices which develop from them.

This is one reason why the upcoming review of our Fisheries Standard is so important, and we have spent a lot of energy over the past year preparing for this. Charting the right course is challenging: we need to ensure that our Standard is strong and credible, but also achievable and capable of driving improvements.

This is where our strong governance structure, which represents the views of a broad range of sectors and perspectives, really comes into its own. Our new Stakeholder Advisory Council advises the board on different stakeholders' priorities and possible solutions. Meanwhile the Technical Advisory Board offers international expertise and knowledge on fisheries management, marine science and supply chain traceability.

I am extremely grateful to everyone involved in the MSC and working with us for the future of our oceans.

**Werner Kiene,
Chair, MSC Board**

Unsustainable fishing: the global challenge

For hundreds of millions of years, life has thrived in Earth's oceans. Throughout our history, the sea has provided joy and wonder, kept our climate stable and supplied us with a seemingly inexhaustible source of healthy food.

But today our oceans are in crisis – and overfishing is at the heart of the problem. Last year's State of the World's Fisheries and Aquaculture report from the United Nations Food and Agriculture Organization (FAO) laid bare the urgency of the issue. A third of the world's fisheries have now been exploited beyond sustainable limits – up from a tenth in 1974.

Overfishing devastates marine ecosystems and threatens the food security and livelihoods of millions of people. Reduced ocean productivity also carries huge economic costs – the UN estimates that losses could reach tens of billions of dollars each year if current trends aren't halted.

Yet the report also highlighted cause for hope. In the US, the number of overexploited stocks is at a record low. Back in the early years of this century, over 70% of fisheries in the north-east Atlantic were overfished – today that's dropped to around 40%. Similar improvements have been seen in New Zealand, Australia and much of northern Europe. Previously threatened species like Patagonian toothfish have made remarkable comebacks.

Unfortunately, the improvements taking place in many industrialised nations are not being matched in the Global South. Developing countries supply over half of the world's seafood, and it's a vital source of protein and income for hundreds of millions of people. But stocks continue to decline at an alarming rate.

The international community has promised urgent action. In 2015, the nations of the world signed up to the 17 Sustainable

Development Goals, one of which is to conserve and sustainably use the oceans, seas and marine resources. This commitment includes a target to end overfishing, illegal, unregulated and unreported (IUU) fishing and destructive fishing practices by 2020, and implement science-based management plans in order to restore fish stocks in the shortest time possible.

While the timeframe is ambitious, we know that sustainable fishing is possible. For over 20 years, the MSC has been a leading player in the sustainable seafood movement. We know that when fisheries are well managed fish stocks will regenerate and marine ecosystems flourish. We know that companies and consumers demanding sustainable seafood can be a powerful force for change. And we know that huge numbers of people are ready and willing to play their part.

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Since 1961 the annual global growth in fish consumption has been twice as high as population growth, demonstrating that the fisheries sector is crucial in meeting FAO's goal of a world without hunger and malnutrition.

José Graziano da Silva, FAO Director-General

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MSC: part of the solution

We want future generations to be able to enjoy seafood and oceans full of life, forever. And we're determined to play our part in combating overfishing and safeguarding seafood supplies for this and future generations. We're doing this by:

Building consensus around what sustainable fishing looks like (page 12)

To end overfishing, we need to know what the alternative looks like. For two decades, MSC has provided a blueprint for fishing that's both environmentally and economically sustainable, based on United Nations FAO guidelines. We regularly update our Standards and procedures to ensure they remain fit for purpose, while respecting the views of multiple stakeholders – turning potential conflict into positive collaboration.

Driving change on the water (page 18)

MSC certification recognises and rewards those who fish sustainably, encouraging fisheries to make improvements in order to meet and maintain MSC certification. From reducing bycatch to mapping seabed habitats, certified fisheries have made hundreds of positive changes in order to secure healthy fish stocks, minimise their environmental impact and strengthen the way they are managed. And others are making significant steps on their journey towards certification, particularly in the Global South.

Building demand in the marketplace and society (page 32)

Our blue ecolabel makes it easy for consumers to do their bit against overfishing by choosing seafood that can be traced back to a sustainable fishery. And an ever-growing number of retailers, restaurants, seafood brands and supply chain companies all over the world are demonstrating their commitment to certified sustainable seafood – creating the market incentives for more fisheries to meet the MSC Standard.

But we can't do any of this alone. Our collective impact depends on the efforts and commitment of all our partners – from the fishers themselves, through to the companies and consumers choosing sustainable seafood, and the scientists and NGOs sharing their expertise. It's only by working together that we can secure the future of our ocean and the seafood it supplies.



Processing salmon on the Annette Islands, Alaska

More than a certification scheme

While the MSC Standards and ecolabel are at the core of our mission, we're more than a certification scheme.

Contributing to sustainable development

The MSC program contributes to several of the UN's Sustainable Development Goals. MSC certification is used by countries and organisations as an integral part of their voluntary commitments towards delivering SDG14 on Life Below Water. This includes targets to end overfishing, restore fish stocks, protect marine ecosystems and eliminate IUU fishing.

Our work also helps efforts to strengthen food security (SDG2), promote sustainable economic growth (SDG8), promote sustainable consumption and production (SDG12), and strengthen global partnerships for sustainable development (SDG17).

Tracking progress on biodiversity

MSC data is used to track progress against international biodiversity goals. In 2010, international governments set 20 targets under the UN Convention on Biological Diversity, known as the Aichi targets. As an official Biodiversity Indicator Partner, the MSC supplies data to help assess progress towards Aichi targets 6 (sustainable management of all fish and invertebrate stocks) and 4 (sustainable production and consumption). MSC data is also used by the Global Initiative Against Transnational Organized Crime as an indicator in its IUU Fishing Index, developed to support SDG14's ambition to eliminate IUU fishing by 2020.

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The global indicator produced through the MSC's monitoring and evaluation is a valuable tool for understanding progress towards sustainable fisheries.

United Nations Environment World Conservation Monitoring Centre

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Providing a benchmark

It's not only certified fisheries that look to the MSC Fisheries Standard. Governments, fishery improvement projects and other fisheries can use the Standards as a tool to assess their sustainability and see what improvements need to be made – irrespective of whether they pursue certification.

Convening partners, galvanising action

Ending overfishing and restoring our oceans can only happen if everyone pulls together – from fishing communities and the industry, through to governments, NGOs, scientists and consumers. We bring diverse stakeholders together through events like the Seafood Futures Forum at the annual Seafood Expo Global in Brussels. And we catalyse the urgent action needed by supporting partners like the 2020 Leaders for a Living Ocean – 27 major companies and organisations in the seafood sector who have made major commitments towards transforming fisheries and achieving the Sustainable Development Goals.

Sustainable Seas

The MSC was recognised as “the market leader and the most rigorous certification in the seafood sector” in a report by the UK government's Environmental Audit Committee, released in January 2019. The Sustainable Seas inquiry included an examination of the MSC, which concluded that “alternative labelling and certification systems... are not nearly as rigorous or stringent.”

Having received evidence from a wide range of stakeholders, the committee recognised that the MSC program has been effective in improving fishing practices and sustaining fish stocks, adding that “fisheries companies using certification standards such as those provided by the MSC and retailers stocking products with fisheries ecolabels are playing key roles in tackling the challenge of unsustainable fishing.”

The Sustainable Seas report recommended that the MSC's ongoing Fisheries Standard Review should address specific concerns around the Unit of Assessment, the holistic assessment of fisheries, carbon emissions from fishing boats, shark finning, and barriers to entry for small-scale fisheries. With the exception of carbon emissions, all of these subjects are being addressed in the Fisheries Standard Review or separate consultations.

Sustainable fishing

For 20 years, the MSC has provided the most widely recognised science-based certification and labelling program for sustainable fishing. The MSC Fisheries Standard is based on the FAO's Code of Conduct for Responsible Fisheries. Through a rigorous assessment process, MSC certification provides assurance that fish stocks are being harvested at a sustainable level, that impacts on marine ecosystems are minimised, and that fisheries are well managed. By engaging with a diverse range of stakeholders, we aim to ensure that our Standard reflects new scientific understanding and accepted best practice that is widely adopted by management agencies, while still remaining relevant and achievable for fisheries of all shapes and sizes.

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One of the greatest contributions of the MSC to the broader field has been actively defining what responsible fisheries management looks like. MSC's Standard is now generally regarded as the gold standard for certification by the field, and a benchmark that other initiatives like fishery improvement projects use to measure their own progress. MSC has made enormous contributions to the field of marine conservation in the last 20 years and will continue to do so in the next 20.

Matthew Elliott, Principal, CEA Consulting

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The MSC occupies that at times uncomfortable middle ground. Extreme views are helpful for framing the debate but the real progress happens when the opposing sides recognise that compromise is that happy place where no one gets what they want but everyone is better off! So it is with the MSC.

David Carter, Austral Fisheries Ltd.

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For MSC, the bar for sustainability is not positioned to benefit a specific subset of stakeholders, but is positioned based on a multi-stakeholder model to further international progress towards global fisheries sustainability.

Simon Jennings, Chair of the Science Committee at the International Council for the Exploration of the Seas (ICES) and chair of the MSC Technical Advisory Board

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Setting the Standard



The MSC Fisheries Standard seeks to provide a benchmark for sustainable fishing. While there are diverse views as to where 'the bar' should be set, MSC seeks to build consensus through its multi-stakeholder processes and governance and in line with new science and best practice management.

Marine science and fisheries management have moved on since our Standard was first articulated over 20 years ago. As required by the UN FAO guidelines for credible marine certification and ecolabelling programs, the MSC, along with all other FAO-based schemes recognised by the Global Sustainable Seafood Initiative (GSSI), conducts periodic reviews of our Standards to ensure our requirements continue to reflect widely adopted science and best practices. We aim to do this at a pace that allows certified fisheries to adapt to new ways of working, bringing about ongoing improvement.

Stakeholder input is extremely important to this process. We talk with people. We find out what can be improved to reflect the latest science and best practices, and to reduce complexity and barriers to certification for fisheries. And we adapt our Fisheries Standard and other processes and protocols accordingly. Any changes to requirements are introduced over appropriate timeframes.

The past year brought two particularly significant developments. As part of our commitment to contribute towards global efforts to tackle forced and child labour in the seafood industry, all MSC Chain of Custody certificate holders in countries where there's a higher risk of this occurring will be required to undergo an independent labour audit.

In addition, we made some significant changes to our fisheries assessment process. The new process requires greater information gathering in the early stages of the assessment, including earlier stakeholder consultation. These arrangements should enable any potential issues to be identified earlier in the process.

We've also begun the process of reviewing our Fisheries Standard. Over the next two years, teams of experts will look at how we might address recent developments covering a wide range of topics – including endangered, threatened and protected species and ghost gear.

The MSC Standard now sets the sustainability bar for more than 15% of the world's marine fisheries by volume, so we have a responsibility to get it right. We need to maintain a standard that incorporates widely agreed scientific understanding and best practices, which fisheries are also able to implement. While finding the right balance is hard, it's essential that we keep faith with all

our stakeholders – because our approach can only work if fisheries, NGOs, retailers, consumers and others all buy into it.

Encouragingly, we continue to see that happening. More consumers and companies are demanding sustainable seafood, more fisheries want to get certified, and we see meaningful improvements when they do. That's a good indication that we're getting the balance right.

Rohan Currey,
MSC Chief Science and Standards Officer

How we're strengthening our Standard

Tackling forced and child labour

As of 28 September 2019, MSC Chain of Custody certificate holders will be required to undergo an independent labour audit, unless they can demonstrate there's a lower risk of forced or child labour based on their activities and in the countries where they operate. Both new and existing certificate holders will be given a one-year grace period following their next MSC audit to complete the labour audit. Certified companies will need to address any non-compliances identified within 30 days or risk suspension of their MSC Chain of Custody certificate. This also applies to companies handling farmed seafood products certified to standards set by the Aquaculture Stewardship Council (ASC), which shares our Chain of Custody Standard. The new requirements follow earlier action in August 2018, when all MSC certified fisheries and off-shore supply chains were given a year to submit a statement outlining the measures they have in place to ensure the absence of forced or child labour.

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Around the world, more than 150 million children and 25 million adults are involved in forced labour. We recognise the urgency in addressing forced and child labour violations and are working with leading social standards to provide greater assurances on this issue in the supply chain for certified seafood.

Yemi Oloruntuyi, Head of Accessibility, MSC

Streamlined certification

Our new Fisheries Certification Process – which contains the requirements that need to be followed when certification bodies assess fisheries against the MSC Fisheries Standard – came into effect this March. Under our previous system, the first opportunity stakeholders had to review assessment documents was late in the process, after a full assessment report had been issued. We've now turned this around so they have the opportunity to comment on a draft report when a fishery assessment is announced. This means concerns can be raised and hopefully resolved early in the assessment process. The updated process also introduces an additional consultation phase when objections are raised to a recommendation to certify a fishery. Following successful pilots, we think the new process will add rigour while being more user friendly for both fisheries and stakeholders.

Reviewing our Standard

We carry out a formal review of our Fisheries Standard every five years. Following input from our stakeholders, staff and governance bodies, we've identified several topics that will be reviewed during the next stage of the process, including:

- Endangered, threatened and protected (ETP) species
- Ghost gear
- Key low trophic level species requirements
- Shark finning
- Accessibility to squid, crab and octopus fisheries
- A risk-based framework to ensure accessibility for data-limited fisheries
- Dynamic fisheries where stock levels fluctuate considerably.

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Once the review has been completed, the MSC Board will decide what revisions need to be made.

Listening and learning

A commitment to active stakeholder engagement and dialogue is at the heart of the MSC program. Listening to the views of others is of paramount importance.

One important part of this is the work of our Stakeholder Advisory Council. The 17 members of the council include representatives from the seafood industry, conservation community, market sector and academia. They bring a range of perspectives and expertise which are vital in reviewing our standards and processes.

In addition to this, we carry out public consultations where revision is needed to reflect changing best practices. Consultations held over the last year gathered stakeholder feedback on the best way to ensure shark finning does not occur in MSC certified fisheries. We also asked stakeholders their thoughts on fisheries that have both certified and uncertified fishing operations on the same trip. While some object to the idea that the same boat can carry both certified and uncertified catch (even if they're kept separate), others argue that not allowing a fishery to certify part of its operations will act as a disincentive to certification and will limit access to the MSC program for small-scale fisheries and those in the Global South.

A further three consultations aimed at strengthening our assurance processes. These explored options for improving the way certifiers set, evaluate and close conditions that fisheries need to meet to maintain certification, improving the way stakeholders' comments on a fishery assessment are recorded, and incorporating new information into the late stages of a fishery's assessment when a change in circumstances may affect the recommendation to certify the fishery.

We also bring stakeholders together to share and discuss different perspectives through events. In April 2018 our annual Seafood Futures Forum attracted more than 400 delegates from the fishing industry, seafood supply chain companies and NGOs. In November 2018, we partnered with GlobeScan and Nomad Foods to host an SDG Leadership Forum for Goal 14: Life Below Water. More than 225 participants from 31 countries shared their perspectives on how to drive change on the water.



MSC's Alex Webb meets sustainability leaders and partners at an SDG panel discussion in Sydney.
© Carla Orsatti/Banksia Foundation

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The MSC has one of the most comprehensive verification systems not only in comparison to voluntary systems but even in comparison to sectoral leaders. Perhaps no other system offers a similar level of transparency and means for stakeholder engagement.

Sonke Fischer, Assurance Services International

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Solid science

The MSC Fisheries Standard is underpinned by solid science. Our team of researchers and data analysts maintain our scientific foundation through their own research, collaborating with researchers and supporting fisheries to improve knowledge and understanding.

Shining a light onto the seafloor

Protecting marine habitats is a core part of the MSC Standard. A fishery cannot be certified if it causes significant or long-term damage to seafloor habitats or other vulnerable marine ecosystems. But relatively little is known about the seafloor and the mysterious habitats and species found deep below the surface. To maintain MSC certification, a number of fisheries are carrying out important research projects to discover more about seafloor habitats and the impacts fishing can have upon them.

We're working with researchers from Bangor University to develop a software tool that will help fisheries understand and manage their impacts on the seafloor in a consistent way. It looks at where and how often boats fish, how different gear types affect the seafloor, what seafloor habitats are found within the fishery's footprint, and how long these habitat types take to recover from disturbance. While a lot of information is still needed for certain habitat types, we're hopeful the tool will help fisheries and assessment bodies to ensure fishing activities don't harm deep-water corals, sponges and the many other important ecosystems found in the ocean depths.

Supporting student research

The MSC Scholarship Research Program annually awards scholarships to support students around the world studying fisheries science or supply chain traceability. Since the program's launch in 2012, we've awarded over £70,000 to support the research of 19 students in 14 countries. This year's recipients are:

- Laurissa Christie from the University of Windsor in Canada, who is studying how sea ice influences the dynamics of deepwater food webs in the Arctic
- Ahmad Catur Widyatmoko from the University of Basque Country in Spain and MER Consortium, who is researching the use of fish aggregating devices (FADs) in small-scale Indonesian tuna fisheries
- Zelin Chen from the University of Washington, USA, who is researching quota-based management strategies for China's red swimming crab fishery
- Catherine Seguel from the Universidad Austral de Chile, who is mapping the value chain of the Chilean marmola crab fishery
- Matthew Coleman from Heriot-Watt University, UK, who is trialling a new way of monitoring stocks of European lobster off the coast of Scotland.

Change on the water

The MSC isn't just a seal of approval for those who are already fishing sustainably. Many fisheries will make improvements before they enter assessment for MSC certification – something we're supporting many to do, particularly in small-scale fisheries and in the Global South. And fisheries continue to strengthen their performance even after they become certified. In fact, 92% of certified fisheries have been required to make specific improvements as a condition of certification.

Between 2016 and 2018, certified fisheries completed 288 improvements as conditions of MSC certification, including changes to fishing practices, scientific research and better monitoring. Half of these were aimed at minimising environmental impacts. Improvements often have multiple positive impacts – for example, closing an area to fishing can protect several different species and habitats at once.






“ The MSC Standard creates the right incentives for all kinds of fishery, small or large scale, to transform towards best practice. Such examples can now be found almost everywhere in the world. Christopher Zimmermann, Thünen Institute of Baltic Sea Fisheries ”

“ MSC certification of Arctic cod in the Norwegian Sea has led this fishery to improve the recording system of its retained catches and to improve its fishing practice by minimising the impacts on sea bottom habitats and any interaction with endangered species. Andres Uriate, AZTI ”



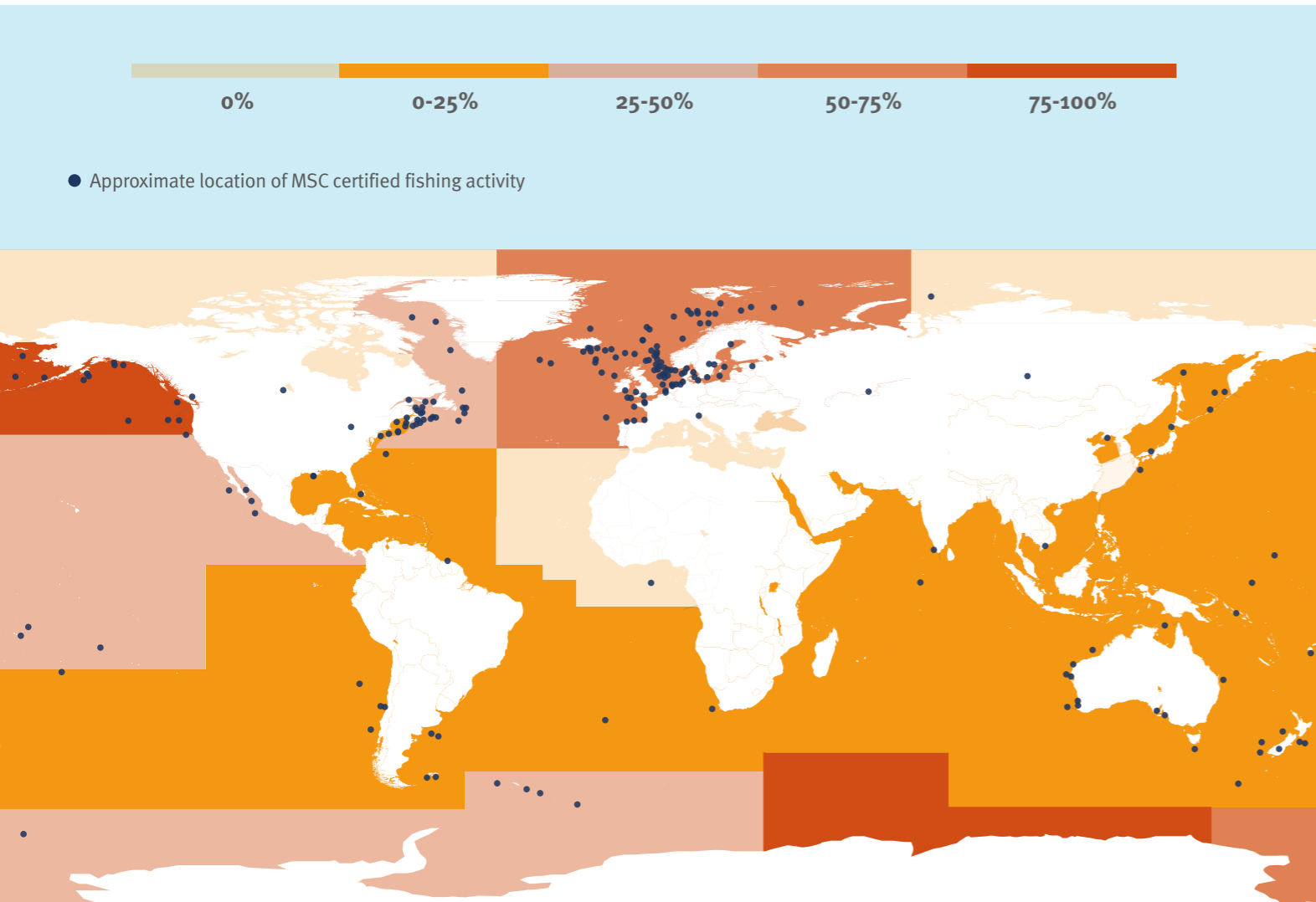
In the last two years MSC certified fisheries have made **288** improvements to ensure best practice, including:

- 143**  to minimise their environmental impact
- 75**  to ensure the sustainability of fish stocks
- 70**  to strengthen fisheries management

-  **16** improvements benefitted marine mammals
-  **33** improvements benefitted sharks and rays
-  **9** improvements benefitted marine reptiles
-  **44** improvements benefitted habitats
-  **36** improvements benefitted seabirds

Mapping sustainable fisheries

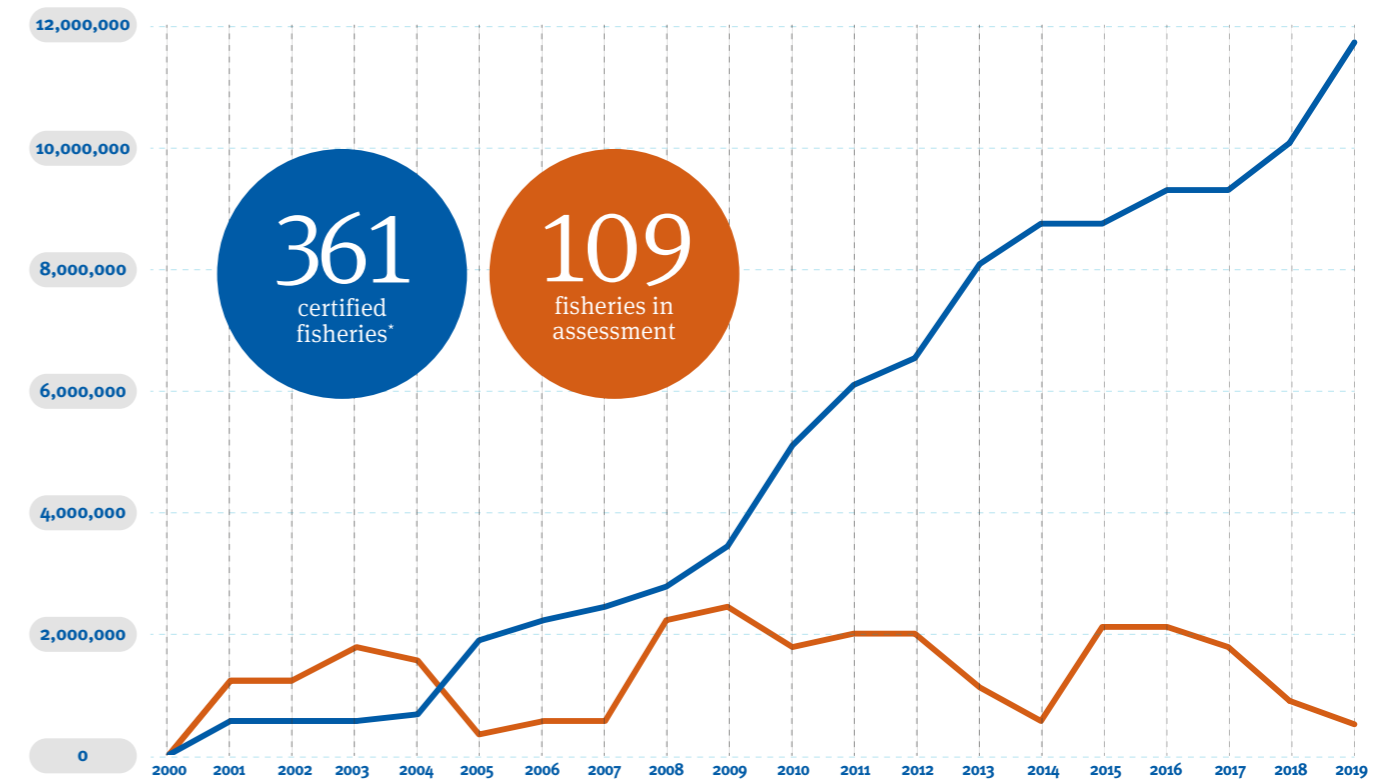
Proportion of major fishing area catch that is MSC certified*



*MSC certified catch and fishery data as of 31 March 2019, compared with total catch for UN FAO Major Fishing Areas in 2016.

Volume of MSC certified catch

(tonnes)



Data correct as of 31 March for each year

*Includes 13 fisheries for which MSC certification is currently suspended

11.8

million tonnes certified catch

15%

of global marine catch

1%

of global marine catch is from fisheries in MSC assessment

41

countries with certified fisheries

Tuna

This year brought more progress in strengthening the sustainability of the world's tuna fisheries.

Western Pacific

The Western Pacific Sustainable Tuna Alliance (WPSTA) skipjack and yellowfin purse seine fishery was granted certification in June 2018. This fishery is mostly located within the exclusive economic zones (EEZs) of Parties of the Nauru Agreement (PNA) countries, with some high seas areas, and is fished by vessels from multiple countries, including the USA, the Chinese mainland and Taiwan. The Pacific provides half the world's skipjack tuna, so it's critical for future food security that fisheries like this one are operating sustainably.

"Tuna is an important source of protein for many nations, and as a highly migratory species management can often be a challenge. The certification demonstrates positive collaboration between leading fishing nations and a commitment to the sustainability of this ocean resource."

Bill Holden, MSC Senior Fisheries Manager, Oceania and South East Asia

22% global tuna catch by volume is now MSC certified

8% global tuna catch by volume is in MSC assessment

1.12 million tonnes of MSC certified tuna in 2018-19

French Polynesia

The French Polynesia albacore and yellowfin longline fishery achieved MSC certification in July 2018. Eighty percent of the harvest is used domestically, while the other 20% is exported, mostly to the US.

"We chose to pursue MSC certification as it was the best label that met our aspirations for sustainable fishing. Our fishery has embodied sustainability for many years and to have this recognised by MSC certification reinforces our commitment to sustainability for future generations."

Teva Rohfritsch, Vice President and Blue Economy Minister, French Polynesia

Indonesia

November 2018 saw the PT Citraraja Ampat Canning (PT CRAC) Sorong pole and line skipjack and yellowfin tuna fishery become the first fishery in Indonesia to achieve MSC certification. It's a significant milestone, as Indonesia is the world's largest tuna producer, and the second largest seafood producer overall.

The 35 vessels that make up the fishery employ 750 local fishers, who use tethered fish aggregating devices (FADs) to attract the tuna, taking about 3,000 tonnes each year. Six conditions of certification must be met over the next five years.

"We hope this certification will inspire other Indonesian one-by-one tuna fisheries to follow up with sustainable fishing and certification. This will help ensure that the fish and a healthy ocean will be there for future generations."

Pak Ali Wibisono, CEO, PT CRAC

Indian Ocean

In November 2018, the Echebastar Indian Ocean purse seine skipjack fishery became the first tuna fishery using drifting FADs to achieve MSC certification. The Basque-owned fishery comprises five vessels which land their catch in the Seychelles.

Prior to assessment, a lot of work went into reducing bycatch through the use of non-entangling FADs and the rapid return of unwanted catch back to the sea. Transparency has been maintained and data collection strengthened with 100% observer coverage in the fishery since 2014. To remain certified, Echebastar has committed to work with the Indian Ocean Tuna Commission and Seychelles authorities to deliver eight further improvements in the next five years. These include greater focus on ETP species, strategies to reduce impacts on coral reefs and other ecosystems, and expanded local stakeholder consultations.

"The certification of our fishery against the MSC Standard is recognition of the success we have achieved in our efforts to promote sustainable fishing for tuna in the Indian Ocean. We continue working towards sustainability and a well-managed fishery for Echebastar. We are committed to further improvements."

Kepa Echevarria, Echebastar

Micronesia

Bigeye tuna received its first ever certification in March 2019 within the SZLC CSFC & FZLC FSM EEZ longline yellowfin and bigeye tuna fishery. The fishery is run by three Chinese companies that fish in the waters of the Federated States of Micronesia in the Western Pacific. As with all tuna stocks managed by the Western Central Pacific Fisheries Commission (WCPFC), certification is conditional upon all WCPFC member states adopting harvest strategies, including harvest control rules, by 2021. These measures would ensure a

rapid response to any potential future declines in the health of the bigeye stock. As a result, this certification could influence the sustainability of bigeye fishing across the entire Western Central Pacific Ocean.

PNA

The eight PNA countries – Kiribati, Marshall Islands, Micronesia, Nauru, Palau, Papua New Guinea, Solomon Islands and Tuvalu – collectively control over a quarter of the world's tuna stocks. The PNA Western and Central Pacific skipjack and yellowfin tuna fishery was recertified at the end of March 2018.

Since it was first MSC certified in 2012, the fishery has worked closely with the WCPFC to develop a work plan to adopt harvest control rules. It is also working with other tuna fishing bodies and experts to improve the

use of FADs. Independent observers join every fishing trip, helping to ensure that fishing meets both government and MSC requirements. Data collected by these observers has shown a significant decline in shark finning in the region following an effective ban on shark finning since 2010. Of nearly 10,000 sets observed in 2017, just five incidents of shark finning were recorded, down from 608 in 2013 – a reduction of 99%. This is a tremendous success story against the backdrop of the tens of millions of shark fins that are traded globally each year.

To become MSC certified, fisheries must follow global best practice on shark finning, and verifiably demonstrate the likelihood that it does not take place. These requirements are currently being reviewed as part of the evolution of our Fisheries Certification Process and Fisheries Standard.

Bluefin

After being overfished to the point of commercial extinction, some bluefin tuna stocks are showing signs of recovery, particularly in the Eastern Atlantic. In 2018, for the first time, two bluefin tuna fisheries catching Eastern Atlantic bluefin entered MSC assessment. The first, in the north-east Atlantic, is focused on a single longline vessel, the Dai-ichi Shofuku-maru, owned by family firm Usufuku Honten. The vessel targets bluefin tuna in October and November, catching around 50 tonnes per year. The second is a French artisanal longline and handline fishery that operates within Mediterranean French waters, mainly in the Gulf of Lyon and Upper Corsica, from April to December. Most of 2017's catch of 246 tonnes went to high-end restaurants and local markets. As these fisheries remain in assessment, we won't know if they meet the MSC's requirements for some time. However, their willingness to enter the voluntary assessment process is a positive signal for the ongoing drive for sustainability of bluefin in the Eastern Atlantic.

Target species

While demand is growing for all types of MSC certified seafood, some groups of species are particularly important when it comes to conserving our seas and seafood supplies. Our strategy targets some of the most important species by volume and value – like whitefish, tuna and small pelagic fish – as well as species with high market demand and ecological importance that are currently under-represented in the MSC program – including crab, squid and octopus, and seaweed.

Crab

The Russian red king crab fishery in the Barents Sea became the first king crab fishery in the world to achieve MSC certification in February 2018. Red king crab is one of the largest edible crab species in the world, with a leg span of up to 1.8m and reaching weights of 10-15kg.

The certified fishery, which consists of 11 vessels using traps partly made from biodegradable material, holds the entire quota for commercial red king crab in the Barents Sea. To become certified, it needed to demonstrate strong management and science-based harvest control rules. The total catch in 2018 was 9,880 tonnes.

Following the certification of the red king crab fishery, a pre-assessment of the Barents Sea snow crab fishery is now under way.

Seaweed

In January 2019, a farm on Ishigaki island in Okinawa, Japan became the first ever seaweed producer to be certified against the joint ASC-MSC Seaweed Standard. Euglena Co. grows a type of microalgae which is currently used in nutritional

supplements – but could one day be used to produce jet fuel.

This is just one of the exciting potential uses of seaweed and algae – from cheap superfood, to biodegradable plastic, to cattle feed that reduces methane emissions. While seaweed has long been a popular part of Asian cuisine, the industry is now expanding rapidly, with the global market expected to grow from US\$4.1 billion in 2017 to US\$9.1 billion by 2024¹. Although most seaweed is grown on farms, more than a million tonnes is harvested from the wild every year.

With demand growing rapidly, it's vital that seaweed – and the marine life that depends on it – is protected for current and future generations. We've worked hard with the ASC to develop a shared standard that can help ensure the industry's long-term sustainability, and we're looking forward to seeing more producers follow in Euglena's footsteps.

Whitefish

The Faroe Islands ling and tusk fishery was certified in November 2018, marking another milestone in the sustainable management of these species after the certification of fisheries in Iceland and Norway. The fishery lands around 5,500 tonnes of ling and 2,500 tonnes of tusk each year, most of which is sold as salt fish in southern European markets.

Squid

For the first time ever, MSC certified calamari is on the menu with the world's first certified squid fishery. The US northeastern longfin inshore squid fishery, which targets longfin or loligo squid from the Gulf of Maine to Cape

Hatteras in North Carolina, achieved certification in May 2018. The two companies that led the certification also successfully achieved certification for northern shortfin squid, a commercially important species whose range extends between the Sea of Labrador and the Florida Straits.

Squid is one of the few species that could benefit from climate change as rising sea temperatures increase their range. It's likely people are going to be eating more of it in the future, so it's important to ensure squid fisheries are put on a sustainable footing today.

"This certification demonstrates that our domestic fisheries management system is working to sustainably manage our major squid fishery to the benefit of the resource, fishing communities, and calamari lovers everywhere."

Wayne Reichle, President of Lund's Fisheries

Small pelagics

In December 2018, the South Australia sardine fishery became the first sardine fishery in the southern hemisphere to be MSC certified. With annual catches of 27,500-42,000 tonnes, the fishery is the largest by volume in Australia. It means that 38% of Australia's wild marine catch is now MSC certified.

Eight vessels use purse seine nets to target schools of sardines located by sonar, usually at night. Operations are very selective, with sardines making up over 99% of the total catch. Assessors found the fishery to be well managed with healthy stocks monitored through effective research programs.

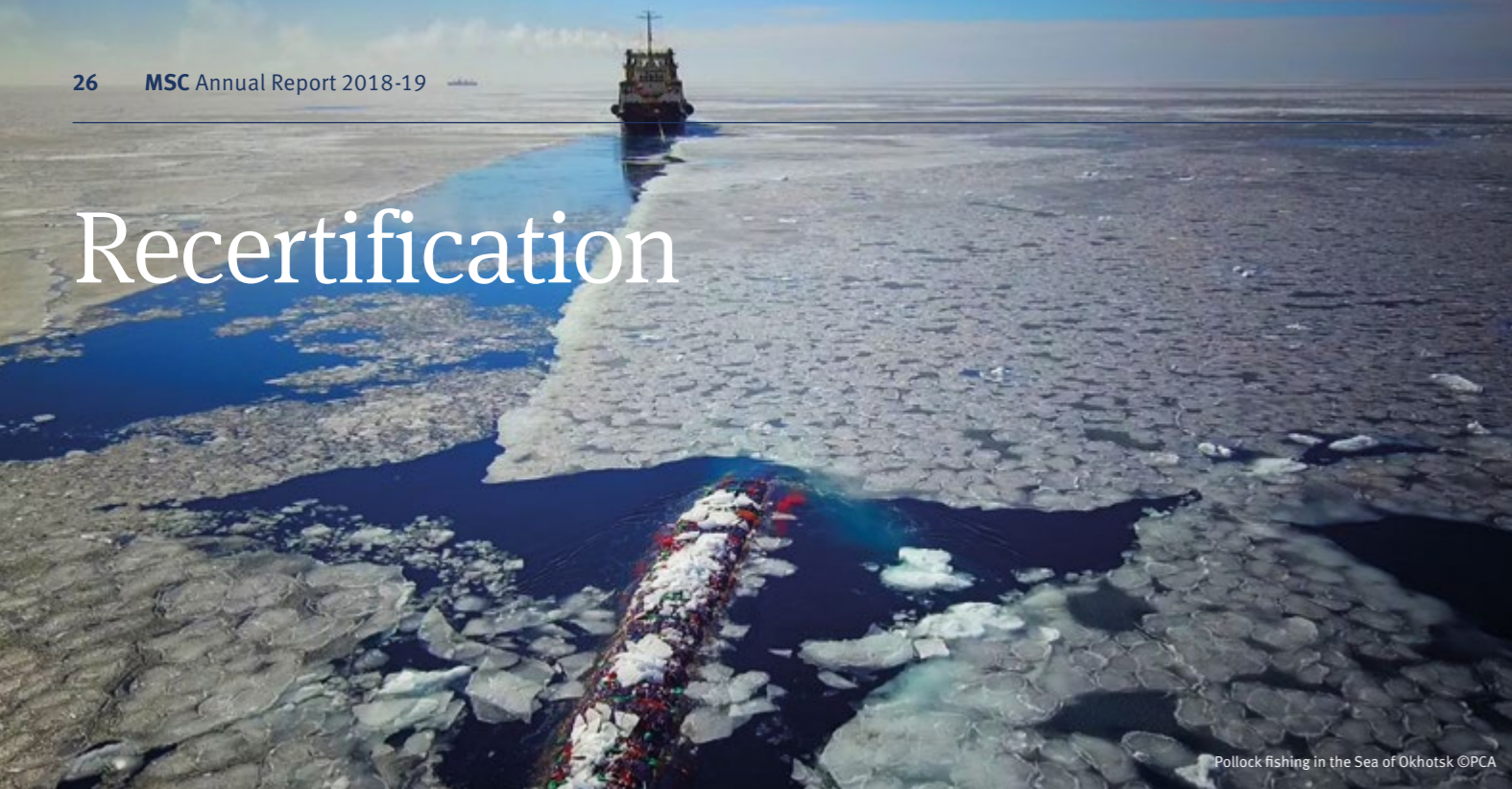


Global whitefish catch
in the MSC program

2017	2018
52%	62%

¹ Allied Market Research (2018)

Recertification



Pollock fishing in the Sea of Okhotsk ©PCA

The MSC journey doesn't stop when a fishery achieves certification. Fisheries are reassessed every five years to ensure they continue to meet the latest version of the MSC Standard. Recertification is good news all round. It's a sign that MSC certification is working for the fishery. It also provides confirmation that any improvements required when the fishery was previously certified have been successfully completed.

Meeting conditions: Sea of Okhotsk pollock fishery

Russia's largest MSC certified fishery – which lands around 770,000 metric tonnes of pollock per year – was recertified in 2018. It's a great example of how recertification conditions continue to drive significant improvements in fisheries that are already performing well.

When the Pollock Catchers Association (PCA) first obtained certification for this fishery in 2013 it was given eight conditions to address – and all were successfully closed over the next five years. Three conditions focused on improving the scientific basis for stock assessment and management, another three focused on minimising the impact of fishing on the Sea of Okhotsk ecosystem, and the last two increased transparency and stakeholder involvement in the management process. WWF-Russia and scientists from the TINRO-Centre worked with the fishery to identify areas of improvement and conduct research.

"After initial certification in 2013, PCA developed and implemented a large-scale action plan for certification conditions," explains PCA President Alexey Buglak.

"With the support of the Russian Federal Fisheries Agency and fishery research institutes, we were able to obtain a much deeper understanding of the impacts the fishery may have on the ecosystem. The PCA also funded unique research on modelling of the trophic network of the Sea of Okhotsk ecosystem, and an at-sea survey of sea birds' and mammals' interaction with fishing gear."

The PCA also significantly increased the number of scientific observers from fishery research institutes, who now collect four times more data. Last year, one in five PCA vessels carried scientific observers.

"All the above resulted in a smooth recertification process, and the good scores the fishery has been awarded," says Buglak.

Suspensions

Fisheries are assessed using the best data available at the time. Sometimes though, new information becomes available after certification which may change the fishery's scores against the MSC Standard. For example, stock level data is revised following fresh monitoring, evidence emerges of previously undetected ecosystem damage, or new stock assessment models are introduced.

If these changes could significantly affect a fishery's MSC assessment scores, they need to be reviewed, outside the usual annual audit cycle. In some cases this means suspending the certification of the fishery in question until improvements have been made or fisheries regrettably withdraw from the MSC program. Only when these improvements have been delivered can the fishery start using the blue tick on its products again – providing an extra impetus to fix emerging problems swiftly and effectively.

In the last year several fisheries have had their MSC certifications suspended following new monitoring data which resulted in a drop in their scoring. We're working with them to drive improvements in response, so they can become recertified as soon as possible.

One example is the French and Spanish sardine fisheries in the Bay of Biscay which had their certification suspended in February 2019, following updated advice from ICES. Although the stock itself is still healthy, it's now feared that current levels of fishing effort are above what would achieve maximum sustainable yield. For short-lived species like sardines this could lead to a swift fall in population size. While there are uncertainties in the scientific stock assessment model, scientists have taken a precautionary approach, advising a reduction in fishing effort.

To address the reasons for suspension, the fisheries have worked together to develop a joint corrective action plan. They will collaborate closely with scientists to improve the reliability of the stock assessment, and keep working to develop harvest control rules compatible with the maximum sustainable yield approach.



Sardine processing in Brittany

"This news is extremely disappointing for the French and Spanish sardine fishers who have worked hard together over the years to manage their fishing effort and their fisheries' sustainability. This new scientific advice changes the game, but the efforts the fisheries have made so far are not in vain. On the contrary, the sardine stock remains healthy, and I strongly encourage fisheries to continue efforts to adapt to these new circumstances and, I hope, to recover their certification in the future. The endorsement of their joint corrective action plan is already a positive step in this direction."

Edouard le Bart, MSC Regional Director for Southern Europe and AMESA

Going South



Last year's FAO report on the state of the world's fisheries highlighted that, while fisheries in the Global North are showing signs of recovery, those in the Global South are in decline. This is a challenge that the MSC is committed to addressing.

Fisheries in the Global South provide nearly three-quarters of the world's seafood, but they are under-represented in the MSC program. Many of these fisheries lack the resources and the capacity to achieve MSC certification – yet they are exactly the places where we need to be engaging. As well as being vital for food security and people's livelihoods, fisheries in the Global South overlap with some of the most important marine biodiversity hotspots.

Over the last couple of years, we've stepped up our engagement with fisheries in the Global South, especially in the pre-certification phase. Through initiatives like our Fish for Good project,

we've brought together various partners and developed tools to help assess the sustainability of fisheries, identify where improvements need to be made, design fishery improvement projects and develop action plans. And we're supporting fisheries on the pathway towards certification with our newly launched Ocean Stewardship Fund, which will provide support for small-scale fisheries and those in the Global South.

In addition, our capacity-building program aims to develop the knowledge and expertise of fisheries managers, governments, NGOs and others in the Global South, drawing on our 20 years of experience in sustainable fisheries and extensive database of good practices. It aims to support not just those who are interested in implementing the MSC Fisheries Standard, but also auditors and fishery improvement project managers. We've also invested in our own staff capacity in the Global South: we now have MSC teams working on the ground in Indonesia and India, and are building on

our existing presence in South Africa and Mexico. This work is beginning to bear fruit, with the number of fisheries in the Global South engaging with the MSC program more than doubling between March 2017 and March 2019. While this is an encouraging start, we know we can do more.

If our mission is to be successful, then we need to make our market-based system work as powerfully in the Global South as it has done in the Global North. Market demand is one of the reasons that fish stocks are in decline, so they need to be part of the solution too. While this is a big challenge, I believe it's also a big opportunity.



Yemi Oloruntuyi,
Head of Accessibility, MSC

“ The MSC is one of the few certification programs to have a globally recognised framework associated with it that will increase volumes of sustainable fisheries. This framework enables a fishery to transition from a position of not passing the standard, to delivering improvements in a transparent way to meet the standard and achieve certification. This process is known as a fishery improvement project and the concept forms an important part of our commitments to operate as a responsible business and work with our suppliers and other partners.

Tracy Cambridge - Responsible Sourcing Director, Thai Union



Fisheries in the Global South engaged with the MSC program

2017

59

2019

124

370

stakeholders have attended MSC capacity building workshops over the last two years

Pathway to sustainability

We're collaborating with NGOs, governments, retailers and funders to provide a pathway for fisheries that want to become sustainable but face obstacles to get there. These "Pathway Projects" aim to identify fisheries that could successfully become MSC certified, and provide tools and action plans for fisheries worldwide. While many are a long way from reaching MSC certification, strong long-term collaboration can make sustainability a realistic goal.

Our four-year Fish for Good project is supporting fisheries in Indonesia, Mexico and South Africa to improve their practices. Working together with market partners, government officials, scientists, the fishing industry and fellow NGOs, the project involves mapping fisheries in each region, carrying out pre-assessments of possible candidates for certification to identify areas that need to be addressed, and developing action plans to deliver the necessary improvements. In Indonesia, the project mapped 50 fisheries and identified species for pre-assessment, while 9 fisheries have been pre-assessed in South Africa and 5 Mexican fisheries are already implementing improvements.

But it's not just in the Global South that these approaches can be effective. In the UK, major retailers and seafood players have launched Project UK Fisheries Improvements, which is using the MSC Standard and tools to design fishery improvement projects for eight of the most commercially important small-scale fisheries in the UK. In partnership with

WWF, our Medfish project is using the MSC Standard to benchmark French and Spanish Mediterranean fisheries and identify areas for improvement.

Ocean Stewardship Fund

We upped our support for fisheries in the Global South with the launch of our £1 million Ocean Stewardship Fund in October 2018. The fund will provide support to small-scale fisheries and those in the developing world to make specific improvements that will bring them closer to meeting the requirements of the MSC Standard. Funding will also be available for science and research to support better understanding of sustainable fishing. Applications will open in October 2019, and the first funds will be granted in March 2020.

First certification in the Mediterranean

Fishing provides a livelihood for 180,000 people in the Mediterranean, yet around 90% of fish stocks in the region are overfished. Improvements are desperately needed to improve fisheries management and restore fish stocks.

A milestone was reached in July 2018 when the Venetian wild harvested striped clam fishery became the first Italian fishery and the first in the Mediterranean basin to achieve MSC certification. The artisanal fishery – operated by a cooperative of 111 boats, mostly crewed by two or three people – catches around 4,600 tonnes annually: just over a quarter of national production. Clams are extremely popular in Italy and a main ingredient in traditional recipes such as Pasta con le Vongole.

“With around 15% of global fisheries now MSC certified, the ‘easier’ options where good governance already exists have effectively already been addressed. MSC is the key driver of change in the next tier of fisheries where significant opportunities for improvement exist. The real prize surely over the next decade is in getting the next 10-20% of fisheries to improve to the degree that they can attain the MSC Standard.

David McDiarmid, Corporate Relations Director, Princes Limited

”



Indonesian pole and line tuna fishery, part of a fishery improvement project working with the MSC's Fish for Good project. ©IPNLF, Green Renaissance, Warren Smart

Sustainable consumption

Ending overfishing and restoring the health of our oceans isn't just a job for the people who do the fishing: the MSC program enables everyone to play a part. By demanding verified sustainable seafood, consumers and companies around the world can help drive change on the water. Delivering sustainable seafood that can be traced all the way from ocean to plate is a huge collective effort, involving more than 45,000 sites globally, including seafood processors, supermarket chains, fishmongers, hotels and restaurants.

These companies are certified to our Chain of Custody Standard, ensuring that MSC certified seafood is traceable and separated from non-certified products. The range and quantity of products bearing the blue MSC label is growing all the time, and expanding into new markets – creating incentives for more fisheries to strengthen their sustainability.



MSC labelled fish fillets at Whole Foods Market, USA

37,000*
products on sale with the blue MSC label

1,000,000
tonnes of seafood sold to consumers with the MSC label

Estimated **us\$ 9.1bn****
spent by consumers on seafood with the MSC label

“ MSC is one of the strongest opportunities there is to demonstrate a fishery’s sustainability across the supply chain. ”

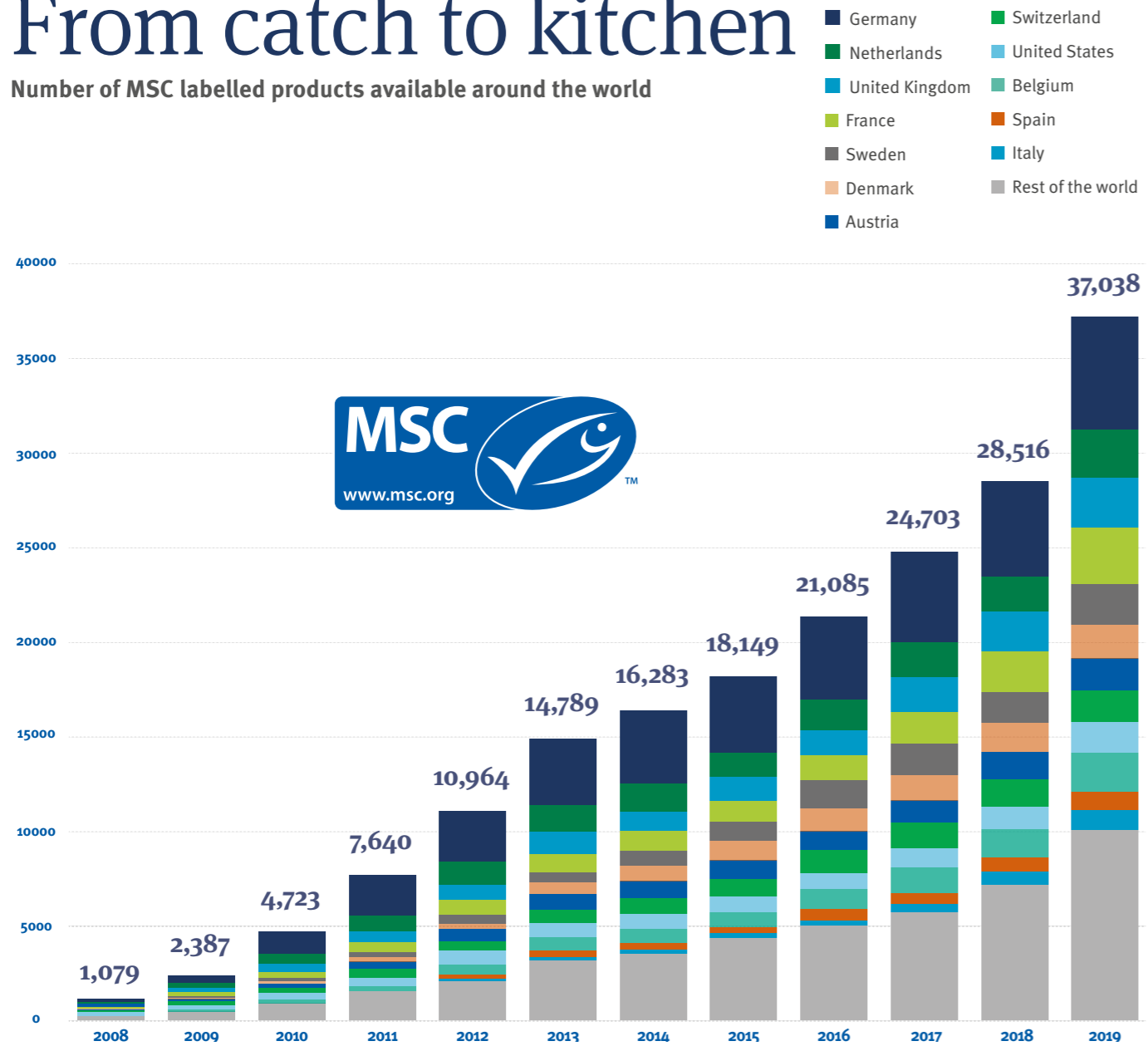
Cassie Leisk, New England Seafood International Ltd



*Number of products defined as the global sum of products available in individual countries (stock keeping units, or SKUs)
**Retail market value of consumer-facing MSC labelled products, calculated by adding a global average 40% retail mark-up to wholesale values

From catch to kitchen

Number of MSC labelled products available around the world



Figures correct as of 31 March for each year.



TOP 10

For the second time, the blue MSC label was ranked as one of the top sustainable food labels in the Netherlands. Out of almost 100 ecolabels included in the study for the Dutch Ministry of Agriculture, Nature and Food Quality, only 10 were awarded the title “top keurmerk” (top ecolabel). The MSC scored full marks for credibility and transparency.

Less than 1%

DNA analysis of more than 1,400 MSC labelled products found less than 1% were mislabelled – compared with a reported average global seafood mislabelling rate of 30%.



MSC certified herring, ALDI, Poland

Ocean leaders



The MSC's mission is to use its standard and ecolabel to reward and encourage sustainable fishing.

Becoming MSC certified requires a lot of effort from fishers and fisheries managers, including paying for certification and making improvements in order to meet the Standard. They expect and deserve to be rewarded for that effort.

This is the beauty of the MSC's market-driven system. When companies and, ultimately, consumers choose MSC certified seafood, it provides a market advantage for those who are striving to fish sustainably – and an incentive for others to improve. And as more certified sustainable seafood becomes available, the market continues to grow.

One encouraging development over the last year is the strong growth we've seen in southern Europe and in Asia, Japan especially. The growing interest in sustainable seafood in these regions is really encouraging, because these are the biggest seafood markets in the world:

China and Japan are the two largest seafood markets by value, while France, Italy, Spain and Portugal consume almost as much seafood as the United States. People in these countries also tend to eat a far greater diversity of species than consumers in northern Europe and North America.

As more companies and consumers in these regions demand sustainable seafood, they send a powerful market signal to a whole new set of fisheries. We're already starting to see the impact of this, with the first certified squid and octopus fisheries, more hake and yellowfin tuna coming into the program, and the first certification in the Mediterranean.

The MSC label also gives retailers and supply chain companies the opportunity to play their part in fighting overfishing and safeguarding the future of our oceans. By committing to sourcing MSC certified seafood, companies can make a contribution to the Sustainable Development Goals – especially Goal 14 on Life Below Water.

Setting an inspiring example are the 2020

Leaders for a Living Ocean. This group of 27 leading companies working in the seafood sector joined us at the time of the Our Ocean conference in Malta in 2017 to pledge their commitment to conserving the ocean and safeguarding seafood supplies – including by supplying, sourcing and selling MSC certified seafood. They have published ambitious targets and committed to publicly reporting on their progress every year, and we've been delighted to see the advances that have taken place over the last year.

Of course, buying and selling MSC certified seafood is not an end in itself: it is a means to promoting and incentivising sustainable fishing and safeguarding seafood supplies for current and future generations. We're grateful to all our many partners whose commitment is helping to make that a reality

Nicolas Guichoux,
MSC Chief Program Officer

Orkla's ocean health supplements

Orkla Health, Norway's leading cod liver oil producer, will display the MSC's blue fish label on all bottles of cod liver oil sold under its internationally renowned Möller's brand. More than 5 million bottles bearing the blue MSC label will hit the market each year in more than 20 countries. Orkla aims to source 100% of its raw materials sustainably by 2025, providing health-conscious consumers with a greater choice of sustainable supplements.

A by-product of Arctic cod, Möller's cod liver oil has been sourced from Norwegian cod fisheries in the Lofoten and Vesterålen archipelago since 1854. First MSC certified in 2010, the Norway North East Arctic cod fishery was recertified in 2015.

"The MSC plays an important role in contributing to sustainable fishing practices. Adding the blue MSC label to all bottles of Möller's gives us the opportunity to proudly tell the story of sustainability and provenance of this 160-year old brand."

Hege Holter Brekke, CEO, Orkla Health

Aldi tops the table in the UK

In 2018 Aldi was recognised for offering the largest proportion of sustainable seafood of any UK supermarket, in our annual UK Supermarket Sustainable Seafood League. In 2017 just under 80% of the discounter's seafood range was sold with the MSC's blue fish label, more than any other UK retailer that year.

Aldi is one of several retailers that has publicly committed to making its seafood range 100% sustainable over the next few years. Also making impressive progress in 2018 was Sainsbury's, which stocks the most certified seafood products with over 200 in store, making up over three-quarters of its wild seafood range. Next come Lidl, with just over 100 certified products covering 72% of its seafood offer; Waitrose (67%, 118 products), Co-op (61%, 54 products) and Tesco (48%, 129 products).

The retailer that made the biggest changes in the UK this year was Asda, which tripled the number of certified sustainable seafood products in its range from 17 to 52, an increase of 38%.

Shangri-La: leader of the pack

The Shangri-La Group became the first hotel group in Asia to receive full MSC Chain of Custody certification in June 2018. The certification of 53 hotels across mainland China and Hong Kong was part of Shangri-La Group's sustainability commitment to protect seafood supplies. The Group has since introduced the blue MSC label on its restaurant menus. This initiative represents a significant milestone for the hospitality and food-service industry in China. It is hoped that more Chinese seafood suppliers will follow the leadership shown by Shangri-La.



Emerging markets

China

China is far and away the world's largest seafood market and importer – nowhere has a greater influence on the world's fisheries. We've seen encouraging growth in MSC certified seafood over the last year, with sales of consumer-facing products bearing the MSC label jumping by more than 150%. The number of sustainable seafood products carrying the MSC label grew to 501, a 75% increase, with the number of Chain of Custody certification holders increasing from 348 to 420. More than 20 retail chains are working with MSC to promote sustainable seafood, with several having announced sustainable seafood commitments: Aeon China, for example, is aiming to have 30% of its frozen seafood range MSC certified by 2020. Other retailers demonstrating their commitment to the MSC include Sam's Club and CRV-Olié, part of the China Resources Vanguard Group.

Japan

The market for sustainable seafood grew rapidly in Japan over the last year. The number of Chain of Custody certificate holders increased from 147 on 1 April 2018 to 218 on 31 March 2019. Aeon, the country's top retailer, rapidly increased its range of MSC labelled products, in line with a commitment to have 20% of the seafood it sells MSC or ASC certified by 2020. Another leading retail group, Seven & i holdings, began stocking MSC certified seafood for the first time - the group includes the country's largest chain of convenience stores, Seven Eleven. Another major retailer, COOP Japan, now uses the MSC label on around a fifth of its private brand seafood products. Meanwhile Sampo Japan Nipponkoa Insurance, Denso and JXTG followed Panasonic's lead in serving certified seafood in their cafeterias. This has prompted several catering companies in Japan to obtain Chain of Custody certification.

Italy

The countries of Southern Europe have historically been slower than their northern counterparts to catch onto MSC certified seafood – but that's changing. The volume of MSC certified seafood sold in Italy grew by a third during 2018/19. The country now ranks fifth in the world for MSC products by turnover, and seventh by volume. Nearly half of Italian seafood consumers recognise the MSC label. Top brands Findus and Bolton Rio Mare have led the way, but there's been an encouraging growth in the number of small and medium-sized companies using the MSC label too. Most importantly, this demand is starting to drive real change on the water. The Venetian wild harvested striped clam fishery this year became the first in the Mediterranean to achieve certification (see page 27), while the BluFish project, launched in November 2018, is providing support and tools to help fisheries in Southern Italy and the islands strengthen their sustainability over the next three years.

Poland

Poland isn't a country most people associate with seafood production – but it's one of Europe's largest seafood processors, producing around half a million tonnes each year, most of which is exported to Western Europe. The number of MSC certified suppliers has grown rapidly over recent years, with as many as 115 companies with Chain of Custody certification. Together these companies produce around 85,000 tonnes of MSC certified products annually, making Poland one of the top five MSC producing countries in the world. The domestic market has been growing rapidly too. There are more than 900 MSC labelled products on the market, and the total volume of MSC products sold in 2018-19 was almost 25,000 tonnes – a 500% increase in three years.



Cooking demonstration for Sustainable Seafood Week, China



MSC certified mackerel promotion with Aeon



Street graffiti promoting the MSC in Milan



Advertising the MSC label in Warsaw for World Oceans Day 2018

Engaging consumers

Growing consumer awareness and understanding of sustainable seafood and the blue MSC label is an essential part of our work. By increasing market demand for sustainable seafood, we incentivise the industry to make changes to safeguard our oceans. Our local marketing and communications teams are working with leading agencies, seafood brands and influencers to share our message. Here are just a few examples from 2018-19.

- 83%** of seafood consumers globally agree that we need to protect seafood for future generations
- 41%** of consumers recognise the blue MSC label
- 72%** of seafood consumers want sustainability claims in supermarkets to be independently verified
- 37%** Understanding of the MSC label increased from 32% in 2016 to 37% in 2018

Results from a consumer perceptions study by GlobeScan of 25,000 people in 22 markets between 12 January and 10 March 2018



© iStock/Ijubaphoto

USA

October is National Seafood Month in the US, and last year we used this established event to launch a campaign encouraging seafood consumers to make sustainable seafood choices. The campaign used a variety of channels to target shoppers – from teaming up with food influencers, which created hundreds of thousands of views and interactions on social media, to treating journalists to a surprise lunch of MSC certified McDonald’s Filet-o-Fish, to MSC certified seafood featured in broadcast news cooking segments. We also ran targeted advertising on public transportation in two cities. In Seattle, “Good for you, me, and our SEA” adverts reached two-thirds of the population; in follow-up surveys, one in five people (and one in three aged 18-34) said they recalled the campaign, and 90% of these had a high level of trust in the MSC.



Whole Foods seafood team with WJLA TV host for National Seafood Month live cooking demo

China

Over 1,300 stores in more than 30 Chinese cities took part in Sustainable Seafood Week in August 2018 – a massive increase on the 180 that participated in 2017. Co-hosted with China Chain Store and Franchise Association (CCFA), activities included in-store promotions and special events, as well as adverts on the Beijing metro, on e-commerce sites and at hotels. And our “Little Ocean Hero” programme targeted children. MSC certified suppliers such as Ocean Gala and SeaMix saw a big boost in sales during and after the week as more Chinese consumers sought out sustainable seafood. According to consumer insights company GlobeScan, 8% of Chinese shoppers now say they often see the MSC ecolabel.



Promoting MSC certified seafood during Sustainable Seafood Week in China

France

Our award-winning Responsible Seafood Week organised with ASC in February 2019 was the biggest yet, with 27 commercial partners involved, including retailers, brands and food-service companies. They helped drive more than 1.4 million viewers to our online campaign video and distribute 60 million copies of our printed materials. We also ran four educational conferences and partnered with 21 institutions including aquariums and student associations to spread the word on sustainable seafood. We also ran events, online and off, around World Ocean Day on the theme of “listening to the ocean”. To launch the campaign with a splash, 27 journalists and influencers received a real message in a bottle outlining the threats to our ocean and what the MSC is doing to help.



Educating children about life in our oceans during Responsible Seafood Week in France

South Korea

South Korea is an important seafood market, but consumer awareness of sustainability is low. Over the last year, we’ve been putting in place the foundations for building demand for sustainable seafood. This has included forming partnerships with the Korea International Ocean Film Festival and the Busan Green Consumer Network, appointing popular musician Tune as our first Korean ambassador, setting up a network of university students to support MSC through social media, co-hosting a sustainable fisheries and seafood workshop with WWF-Korea, and talking to over 2,000 visitors at our booth at the Eco-marathon and festival.



Consumer campaign in the Eco-marathon and festival

Our funding and donors

We're especially grateful for the significant support we receive from a range of charitable funders, including trusts, foundations and statutory bodies, from across the globe. This year has been no exception. We received significant new and generous support from the A.G. Leventis Foundation for work in Greece, the MAVA Fondation pour la Nature for our work in the Mediterranean and West Africa, the Walton Family Foundation for work in Mexico, and the Kingfisher Foundation for work on digital supply chains.

We would also like to thank the Dutch Postcode Lottery for its continued support of the Fish For Good project in Indonesia, Mexico and South Africa, as well as ongoing core support; the Walton Family Foundation for its continuing generous support around the world; the Adessium Foundation for supporting our work in the Mediterranean; the David and Lucile Packard Foundation for its generous support of our work in Japan, in addition to core funding; and the GIZ for help with our work in the Southwest Indian Ocean region.

Finally, we also continue to receive generous core support from the Remmer Family Foundation, Triad Foundation and Holzer Family Foundation.

We would like to thank the following organisations for their support:

US Foundations

- Kingfisher Foundation
- New Venture Fund
- David and Lucile Packard Foundation
- Holzer Family Foundation
- Remmer Family Foundation
- Triad Foundation
- Walton Family Foundation

UK Trusts and Foundations

- A.G. Leventis Foundation
- Cecil Pilkington Charitable Trust
- Swire Charitable Trust

NGOs

- Resources Legacy Fund / Sustainable Fisheries Fund
- WWF-Sweden
- WWF-US

Other European Foundations

- Adessium Foundation (Netherlands)
- Dutch Postcode Lottery
- MAVA Fondation Pour la Nature (Switzerland)
- The Swedish Institute (Sweden)

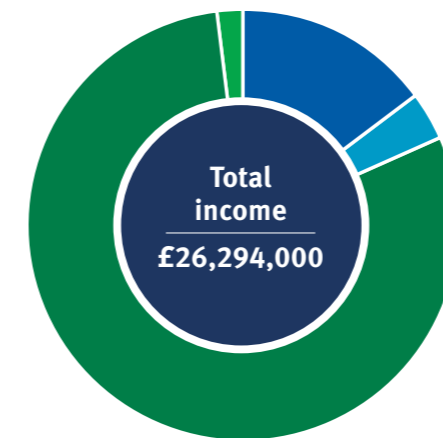
Statutory donors

- DEG (Deutsche Investitions und Entwicklungsgesellschaft mbH) (Germany)
- GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH) (Germany)
- European Maritime and Fisheries Fund in the United Kingdom and Finland

Corporate

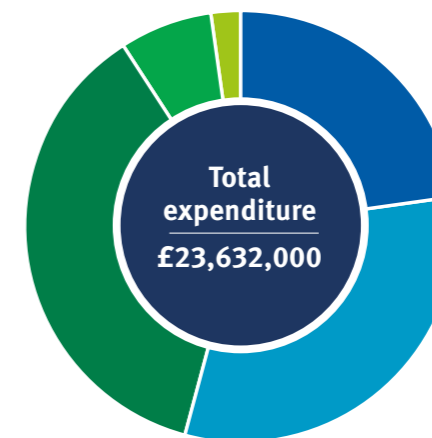
- Findus (Sweden)
- Project UK (various)

Our finances 2018-19



Where the money comes from

- 14.8% Donations and legacies
- 3.6% Other trading activities
- 79.7% Income from charitable activities (logo licensing)
- 1.9% Income from investments



Where the money goes to

- 23% Policy and maintenance of standards
- 31.4% Education and awareness
- 36.7% Commercial and fisheries servicing and outreach
- 6.7% Logo licensing
- 2.2% Expenditure on raising funds

Total funds at 31 March 2019: £32,082,000

Compared with total funds of £29,074,000 on 31 March 2018.

Other gains and losses in the year not shown under income or expenditure amounted to a gain of £346,000

Report by the Trustees on the summarised financial statements

The summarised financial information is extracted from the full statutory trustees' annual report and financial statements which were approved by the trustees and signed on their behalf on 30 July 2019. An unqualified audit report was issued in relation to the full statutory trustees' annual report and financial statements by our auditors Crowe U.K. LLP on 12 September 2019.

The auditors have confirmed to the trustees that, in their opinion, the summarised financial information is consistent with the full financial statements for the year ended 31 March 2019. This summarised financial information may not contain sufficient information to gain a complete understanding of the financial affairs of the charity. The full statutory Trustees' report, financial statements and auditors' report may be obtained in writing from Finance Director, Marine Stewardship Council, 1 Snow Hill, London, EC1A 2DH, United Kingdom.

Signed, on behalf of the Trustees:

**Werner Kiene,
Chair, MSC Board of Trustees
12 September 2019**

Governance 2018-19

The MSC Board of Trustees

The MSC Board of Trustees is the MSC's governing body. With advice from the Technical Advisory Board and Stakeholder Advisory Council, it sets the strategic direction of the MSC, monitors progress and ensures the MSC meets its objectives.

Dr Werner Kiene
Chair

Mr Paul Uys
Chair of Marine Stewardship Council International Board

Dr Simon Jennings
Chair of the Technical Advisory Board

Mr Peter Trott
Co-Chair, Stakeholder Advisory Council

Ms Stefanie Moreland
Co-Chair, Stakeholder Advisory Council

Mr Eric Barratt

Mr Jean-Jacques Maguire

Ms Lynne Hale

Mr Jim Leape

Mr David Mureithi

Mr Felix Ratheb

Mr David Lock

Mr Giles Bolton

Welcome to new members:

Ms Stefanie Moreland
Co-Chair, Stakeholder Advisory Council

Mr David Lock

Mr Giles Bolton

Thank you to departing members:

Ms Christine Penney
Co-Chair, Stakeholder Advisory Council

The Technical Advisory Board

The Technical Advisory Board advises the MSC Board of Trustees on technical and scientific matters relating to the MSC Standards, including developing methodologies for fishery and supply chain certification and accreditation and reviewing the progress of fisheries certifications.

Dr Simon Jennings
(UK) Chair

Dr Christopher Zimmermann
(Germany)

Dr Keith Sainsbury
(Australia)

Mr Sergey Sennikov
(Russia)

Mr Adam Swan
(UK)

Ms Lucia Mayer Massaroth
(Germany)

Dr Tim Essington
(USA)

Dr Victor Restrepo
(USA)

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(Denmark)

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(India)

Dr Juan Carlos Seijo
(Mexico)

Dr Florian Baumann
(Germany)

Ms Michèle Stark
(Switzerland)

Mr Jose Augusto Pinto de Abreu
(Brazil) (Co-opted Member)

Dr Rebecca Lent
(USA) (Co-opted Member)

Welcome to new co-opted members

Mr Jose Augusto Pinto de Abreu
(Brazil)

Dr Rebecca Lent
(USA)



Members of the MSC Board of Trustees in 2019 ©Alex Orrow

Marine Stewardship Council International Board

The Marine Stewardship Council International (MSCI) Board provides oversight of the MSC's ecolabel licensing and fee structure.

Mr Paul Uys
MSCI Chair

Dr Werner Kiene
MSC Board of Trustees Chair

Mr Eric Barratt

Ms Valentina Tripp

Mr Jeff Davis

Mr Rupert Howes
MSC Chief Executive

Welcome to new members:

Mr Jeff Davis

Ms Valentina Tripp

The MSC Stakeholder Advisory Council

The MSC's Stakeholder Advisory Council provides advice to the MSC Board of Trustees and input into the MSC's review processes and provides a formal channel through which stakeholders can provide their views to the MSC. It includes representatives from the seafood industry, conservation community, market sector and academia. The membership reflects diverse experiences, geographies and interests in relation to the work of the MSC.

Mr Peter Trott
Co-Chair, Fishlistic, Australia

Ms Stefanie Moreland
Co-Chair, Trident Seafoods, USA

Ms Christine Penney
Clearwater Seafoods, Canada

Ms Yumie Kawashima
Aeon, Japan

Ms Agathe Grossmith
Carrefour, France

Ms Heather Brayford
Government of Western Australia,
Department of Primary Industries and
Regional Development, Australia

Ms Carmen Revenga
The Nature Conservancy, USA

Mr Johann Augustyn
SADSTIA, South Africa

Mr Ivan Lopez
Pesquera Ancora, Spain

Mr Marco Quesada
Conservation International, Costa Rica

Mr Rory Crawford
Birdlife International/RSPB, UK

Mr Tor Larsen
Norwegian Fishermen's Association,
Norway

Ms Amanda Nickson
The Pew Charitable Trusts, USA

Ms Darian McBain
Thai Union, Thailand

Ms Louise Heaps
WWF, UK

Thank you to departing members:
Mr Yorgos Stratoudakis

“ Thank you to all our staff.

The MSC is supported by a network of exceptional staff operating in more than 20 countries. Our staff bring a diversity of skills – from marine science and fisheries management, through to consumer marketing, industry outreach and corporate services. The MSC's Board and executive team would like to extend a huge thank you to all our staff who have contributed to the continuing success and influence of the MSC in safeguarding our oceans and seafood supplies.

Rupert Howes, Chief Executive, MSC



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All data in this report is correct as of 31 March 2019, unless otherwise stated.
The reporting year is 1 April 2018 to 31 March 2019.

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Find out more:

info@msc.org

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