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The North Buru and Maluku Fair Trade Fishing Associations, Indonesian Handline Yellowfin Tuna

MSC Certificate Holder Forced and Child Labour Policies, Practices and Measures v1.0

1. Introduction

Fisheries and at-sea Certificate Holders (CH) in the Marine Stewardship Council (MSC) program are required to provide a self-description of policies and measures, including regulatory requirements and procedures that are in effect in the Unit of Assessment, to protect fishing crew from forced labour or child labour, as well as any efforts by the private sector. The objective is to require certificate holders to communicate how government, industry, or other relevant entities protect against forced or child labour.

Each fishery and at-sea Chain of Custody client shall provide this information by completing this template. This template should be completed by the client in good faith and be based on information known and available to the client at the time of completion. The information provided should be representative of the range of measures known to the certificate holder.

The completed form will be uploaded to MSC database to be published on the MSC website at the same time as the Public Certification Report.

Guidance for filling in the template is found in the Appendix of this template. Information is required on all issues addressed in the template and should be provided in English, which is the official language of the MSC.

Please complete all unshaded fields. Please fill in N/A if an issue is not applicable, including a short justification for why it is not applicable.

2. Marine Stewardship Council certificate holder forced and child labour policies, practices and measures

Table 2.1 – Certificate holder information

1 Composition of fishery client group on behalf of who the statement is provided

- Characterise the composition of the fishery client group, including cost sharing entities.
- Describe the relationship between cost sharing members of the fishery client group and the vessel owners and operators of the Unit of Certification (UoC).

Entities that are part of the client group include

- Anova Food, LLC (US-based importer)
- Coral Triangle Processors (Finished goods/secondary processor)
- PT. Harta Samudra (Indonesian primary processor)
- North Buru Fair Trade Fishers Associations (vessel owners and operators)

The North Buru Fair Trade Fishers are self-employed and supply Fair Trade certified raw material (pre-cut in loins on board vessels) to PT. Harta Samudra through their appointed buying post / supplier in the villages, where price is competitive with the other buyers. Harta Samudra does not pre-finance the fishing trips, but some fishers often take fuel from the appointed buying post / supplier which will be deducted from their catch payment (this is common practice across all handline tuna fisheries in Indonesia). Fair Trade Audits always review the books of random suppliers during years of audit and check the transactions process and that fishermen's debts are paid back fairly. Fair Trade fishermen are not bound to sell to Fair Trade supply chains, for example when the price is not competitive (that is a requirement of the Fair Trade Standard).

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Mostly the fishing trips are one man one vessel, but when they have a helper – the pre-agreement of share catch is already agreed and written on the signed agreement with CTP before they join Fair Trade. Generally, the payment is divided between the vessel owner, captain and helper.

PT. Harta Samudra produces retouched and smoked frozen tuna loins which are then sold to Coral Triangle Processors. Coral Triangle Processors commissions an Indonesian third-party processor to produce finished goods from the frozen loins and sells them to Anova Food, LLC. Anova Food, LLC imports the finished goods in the United States.

The cost of the MSC assessment are covered 100% by Anova Food, LLC.

2 Responsibility for labour regulation

- What management authorities and laws, including flag state authorities, control labour-related regulations in the unit of assessment area?
- How are laws enforced?

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LABOUR REGULATIONS

Public management authorities:

- Ministry of Manpower (MOM)
- Ministry of Marine Affairs and Fisheries in Fisheries Business

Relevant laws/regulations and enforcement

Indonesia has ratified the 8 core ILO conventions. In line with this ratification, Indonesia has the following laws and regulations in place.

- Manpower Act (Number 13, 2003): this is the overarching legislation on labour relations in Indonesia which applies to all land-based industries such as fish processing.
 - Child Labour: Article 1 (26) states "child is every person is 18 years old." and Article (68) states "Employers are prohibited from employing child." Therefore, minimum working age at the fish processing unit is 18 years old. Article 69 (1) states an exemption from what is stipulated under Article 68 for the employment of children aged between 13 and 15 years old for light work as long as the job does not stunt or disrupt their physical, mental and social developments and the company meets certain requirement.
 - Forced labour: Article 32 (1) states "Job placement shall be carried out based on transparency, respect for each other's freedom, objectivity, fairness and equal opportunity without discrimination." Note on Article 32 states "The phrase "respect for each other's freedom" here is included so that jobseekers are free to pick up whatever job they like, and employers are also free to pick up manpower/jobseekers they like. Thus, jobseekers must not be forced to accept a job and employers, too, must not be forced to accept any manpower [jobseeker] offered to him."
 - The law is enforced by separate working units in central, province and district government and investigations are made by the police and/or appropriate civil servant.
- Minister of Marine Affairs and Fisheries Regulation No.42/2016 on Sea-Labor Agreement: Article 15 (3) states that "minimum age for fisheries vessel crew is 18 years."
- **Government Regulation No.7 Year 2000:** Article 17 (b) states that "minimum age for merchant vessel crews is 18 years old".
- **Minister of Sea Transportation Regulation No. 84 Year 2013** on the Recruitment and Placement of Crews: Article 13 states that "Minimum age for crew is 18 years old."
- The Fisheries and the Sea Transportation Laws are enforced in-port by the Harbor Master, Sea Transportation or Fisheries Investigator and Marine Police. The Harbor Master in Fishing Port undertake inspections before issuing a Port Clearance. At-sea, the Fisheries Law is enforced by the Marine Police, Navy and Fisheries Patrol boat (Fisheries Investigator) by undertaking patrol activities (i.e. at-sea inspection). The Sea Transportation Law is enforced at-sea by the Marine Police and Sea- Coast Guard (KPLP) also through patrol activities.
- Regulations regulates a system of Human Right Certification in the Fishing Industry which requires all individual and businesses engaged in fishing activities (all gear types, including handline) to be certified through an annual audit carried out by the Human Right team from the Ministry of Marine Affairs and Fisheries. Certification is required to obtain various operating permits (Fisheries Business Permits, Fishing Permits, Port Clearance, etc). Certification requirements aim to prevent human rights violations of workers in the fisheries sector include:

- Respect the right to fair and feasible working conditions: remuneration and adequate and feasible rest periods; decent living standards, including accommodation, food and drink; health treatment; social security insurance; protection from work risks; and special rights for women, children and persons disability.
- Apply sea labour agreements for crews of Fisheries Vessel with appropriate wage standards
- Avoid the occurrence of forced labour, among others in the form of abuse of vulnerability, fraud, limitation of space, exile, physical and sexual violence, intimidation and threats, detention of identity documents, detention of wages, debt bondage, torturing working and life conditions, and excessive overtime work.

Fisheries entrepreneurs and businesses who do not have a Fisheries Human Right Certificate and/or found to be violating the provision of the human right protection, is subject to administrative sanctions in the form of: a. suspension of Fisheries Business license, Fishing permit fish and / or fish carrier permits; b. revocation of Fisheries Business License, Fishing Permit and / or permit for fishing carrier permit; and / or; c. recommendation for revocation of license to use labor to the Ministry of Manpower.

- The fishermen within the Unit of Certification are not a subject to certification because each vessel is manned by only one fisherman. Harta Samudra as a processing company has this certification.

3 Risk identification and mitigation

- Describe the processes, including government and certificate holder measures, that are in place in the UoC to identify and mitigate any risk of child and forced labour.

PUBLIC REGULATIONS

Government measures to identify and mitigate risks of child and forced labour: According to the regulations mentioned above, a Sea Labour agreement must be signed by the fishing company, crews and harbour master. The agreement requires the age of the crews to be specified including supporting document such as ID. Before leaving the port, the harbour master checks the crew list prepared by the captain before issuing port clearance. If necessary, the Harbour Master may investigate age of crews based on the labour agreement of each crews. Fisheries Surveillance Officers and/or Harbour Masters are in charge of enforcing compliance with the protection of human right in fisheries business and have to submit a regular report to the Human Right Team at the Ministry of Marine Affairs and Fisheries. However, this is not applied in the Unit of Certification because each vessel is manned by only one fisherman.

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PRIVATE GOVERNANCE

Fair Trade associations: The Fair Trade standard has requirements related to child labour (no employment below age 15 on fishing vessels, processing facilities or with suppliers, no employment below 16 on fishing vessels and documentation of workers classified as minors (i.e. below age 18) (requirements FCR PC 1.1. to PC 3.3). These requirements are also part of the Fishermen Associations internal policies. The last audit report (2018) states that no one under the age of 15 and 18 were found working on vessels, processing facilities or with suppliers and therefore compliant with those requirements.

- <u>Harta Samudra:</u> by working within a Fair Trade supply chain, Harta Samudra must comply with the Fair Trade standard. As such, Harta Samudra is subject to minimum age requirements and was found compliant in the last audit report (requirements FCR PC 1.1. to PC 3.3).
- <u>Bumble Bee/Anova:</u> Bumble Bee/Anova Food Supplier Code of Conduct (Section 4. Child Labour) requires all suppliers to agree "that it will not use any child labor defined as employing a person in violation of an operative law that prohibits employment of persons under a specified age." The Supplier specifically agrees that: 1) Its employees are of legal age under applicable law. 2) It has a process to privately and respectfully verify the age of its employees. 3) It will produce upon request verification of each employee's age. 4) Its employees will not perform work that could jeopardize their health, safety, or morals. Compliance is checked through the Fair Trade audit.

4 Crew recruitment

- Describe the typical methods used to recruit crew in the UoC and describe the migrant composition of crew if any.
- Fishers are self-employed and Indonesian. There are no migrant crew and no recruitment agency is used.
- The Fair-Trade standard has requirements related to hiring and recruitment practices (FHR FL 2.1 and FHR FL 2.2). According to the last audit report no recruitment agency is used and there are no recruitment fees.

- The Fair Trade standard has requirements related to agreements of employment conditions (WWS CE 1.1.to CE 1.4). The last audit report determined compliance with the all requirements, explaining that there is no contract for crew on vessels because generally there is only one worker (registered vessels are small with a body length of 1-12m). In cases where there is a crew, they are made are aware of their rights and duties, responsibilities, salaries/wages, payment schedules, and work schedules. Employment conditions are verbally agreed upon. (WWS - CE 1.1). In the

5 Engagement with fish worker groups

- Where there is known engagement with fisher, migrant, and worker rights groups, describe how this occurs and the organisations engaged with workers in the Unit of Assessment (UoA).

processing plants, workers are hired through written contracts that are signed by both parties.

Fishermen Associations: as members of the Fair Trade fishermen associations, fishers work with the fishermen associations to address risk of forced and child labour by adhering to the FA regulations. Furthermore, MDPI (a local Indonesian NGO that supports the implementation of Fair Trade in this fishery) provides knowledge and information about forced labour and child labour when Fisher Associations (FA) are established and in the FA regular meetings.

- <u>Harta Samudra employees</u>: The Fair Trade standard requires the employer (processor) to recognize the right of all employees to associate. Workers have formed a Workers' Union, where officials are democratically elected by all workers and with no interference from management. Schedule of regular union meetings, every 3 months, has been approved by management. If there are important things that need to be discussed, without waiting 3 months, a meeting can be held. The management supports the activities of the organization. Workers stated they are not punished because of their participation in the workers' organizations.

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6 Crew contracts

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- Describe the nature of contracts or legal work agreements in place in the UoC and the issues addressed in such agreements.
- The Fair Trade standard has requirements related to agreements of employment conditions (WWS CE 1.1.to CE 1.4). The last audit report determined compliance with the all requirements, explaining that there is no contract for crew on vessels because generally there is only one worker (registered vessels are small with a body length of 1-12m). In cases where there is a crew, employment agreement is done verbally but payment shares are defined in the internal rules of the Fisher Association. Moreover, in the internal rules of the FA and in the agreement between certificate holders and fishermen (CH-fisher) there is an agreement explaining about the division of the catch profits between the ship captain crew the ship owner.

7 Audits and labour inspections

- Describe any 3rd Party audits and certifications on labour, or labour inspections conducted within the UoC in the last two years.
- The fishers are Fair Trade certified since 2014. The certification is valid for 6 years with yearly audits (except year 5 which was 2018). The Buru FAs were audited against the FT standard in 2014, 2015, 2016, 2017 and 2019. The Seram FAs were audited against the FT standard in 2015, 2016, 2017, 2019.

8 National minimum age requirements

- Describe national minimum age requirements for crew members serving on vessels within the UoC.
- Describe systems in place, both regulatory and private sector systems, to ensure that crew members meet national minimum age requirements.
- Describe how this is checked, including enforcement within the UoC by the responsible governing authority or oversight body such as labour inspectors.

<u>PUBLIC REGULATION ON MINIMUM AGE REQUIRE</u>MENTS

- Ministerial Regulation No. 35/PERMEN-KP/2015 raised the minimum age of domestic workers to 18. This is enforced through a system of Human Right Certification in the Fishing Industry which requires all individual and businesses engaged in fishing activities (including fishermen, supplier/middleman workers and factory workers and all gear types) to be certified through an annual audit carried out by the Human Right team from the Ministry of Marine Affairs and Fisheries. Certification is required to obtain various operating permits (Fisheries Business Permits, Fishing Permits, Port Clearance, etc).
- Fisheries entrepreneurs and businesses who do not have a Fisheries Human Right Certificate and/or found to be violating the provision of the human right protection, is subject to administrative sanctions in the form of: a. suspension of Fisheries Business license, Fishing permit fish and / or fish carrier permits; b. revocation of Fisheries Business License, Fishing Permit and / or permit for fishing carrier permit; and / or; c. recommendation for revocation of license to use labor to the Ministry of Manpower.
- The fishermen within the Unit of Certification are not a subject to certification because each vessel is manned by only one fisherman. Harta Samudra as a processing company has this certification.

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PRIVATE GOVERNANCE/SELF-REGULATION

Private Management Authorities:

- The North Buru Fair Trade fishers' associations
- Fair Trade auditors

Relevant policies:

- The Fair Trade standard and audits: The Fair Trade standards requires that there are no workers under the age of 15 and that measures are in place for workers under age 18 (FHR PC 1.1. to PC 3.3.). The fishermen are Fair Trade certified and were found compliance with these requirements according to the last audit report (2018).
- Internal Policies of Fair Trade Fishermen associations address child and forced labour (Wamrugut: Ch.VIII; Art. 8 & 9, Leisela: XI; 22,23, Waeplabung: XI; 22,23, Latamiha: XI; 22,23, Setia Selalu: XI; 22,23, Sinan Bersatu: XI; 22,23, Labuang Barat: X; 22,23, Tagalisa Tuna:X; 22,23, Wamlana Indah: X; 22,23). These policies include:
 - Children which under 15 years are not allowed to work on a ship
 - Work time which the employees under the age of 18 is not more than 8 hours / day, has a minimum rest period of one hour and is ensured by getting adequate food intake
 - Employees under 18 years old maintain physical and mental health and do not work by using dangerous equipment and fluids
 - o Employees who are still in school do not work at night and the learning activities do not be interfered by their work

Enforcement policies are specified in the charter of the Fishermen Associations (Wamrugut: VIII; 15,16,17, Leisela: VIII; 15,16,17, Waeplabung: VIII; 15,16,17, Latamiha: VIII; 15,16,17, Setia Selalu: VIII; 15,16,17, Sinan Bersat: VIII; 15,16,17, Labuang Barat: IX; 19,20,21, Tagalisa Tuna: IX; 19,20,21, Wamlana Indah: IX; 19,20,21) according to which group members who violate the rules of the Fair Trade association of which they are a member are subject to sanctions which are decided by a group meeting. The heaviest sanction is membership termination. At the time of the MSC assessment, policy violation and subsequent sanctioning has not occurred in any of the Fair-Trade associations in this unit of assessment.

- **The Fair Trade supply chain** (including Harta Samudra Buying Post/Supplier and Harta Samudra itself), is also subject to Fair Trade requirements and has the following policies in place, as specified in the Harta Samudra Employment Handbook and the Harta Samudra Buying post/supplier:
 - o Children which under 15 years are not allowed to work on a ship/premises.
 - o Work time which the employees under the age of 18 is not more than 8 hours / day, has a minimum rest period of one hour and is ensured by getting adequate food intake.
 - Employees under 18 years old maintain physical and mental health and do not work by using dangerous equipment and fluids.
 - Employees who are still in school do not work at night and the learning activities do not be interfered by their work.
- All Fair-Trade related policies are subject to annual Fair-Trade audits.

Note: In practice, the minimum age accepted by the Fair-Trade standard is 18 years in line the government regulation. However, if children aged between 15-18 years are involved in the scope of certification, then the provisions in the FT standard (FHR-PC 1) applies.

9	Repatriation		
	- Describe how repatriation issues are dealt with in the UoC with respect visits end of contract, voluntary and involuntary termination, and freedom of movement and the extent to which these are included in contracts.		
СН	- Fishers are self-employed therefore there are no repatriation issues.		
10	Debt bondage		
	 Describe if there is evidence of systemic practices to impose costs on crew members for placement or brokerage fees, travel to the workplace, visa, medical, safety gear, clothing/protective gear, food at the workplace, communications access, remittance fees, repatriation, etc. If so, describe such practices and how debt bondage is avoided. 		
СН	 Fishers are self-employed and there is no evidence of systemic practices of debt bondage (see Fair Trade standard requirements FHR - FL 1.1 – FL 1.6). Generally, there is only one worker (registered vessels are small with a body length of 1-12m). There are trained first aid personnel (Hary Loupatty and David Waesapi) available to respond to emergency first aid Situations in Buru. (see Fair Trade standard requirement WWS - OH 3.2) For Registered Fair-Trade fishers, SAS (Safety at Sea) trainings are conducted by the National Rescue body (BASARNAS). Moreover, MDPI distributed Safety-at-Sea guidance books to all Fair-Trade fishermen (see Fair Trade standard requirement WWS - OH 3.1) First Aid Kits, Life Jackets and GPS have been purchased using the Fair-Trade premium. Recent FT meetings (July 2019) approved the use of the next premium to procure first aid kits and life jacket for all crew on board. 		
11	Grievance and remedy mechanisms		
	- Please list any policies or measures (e.g. hotline) that are in place for crew voices to be heard and to report and remediate any instances of forced or child labour.		
СН	 Generally, there is only one worker (registered vessels are small with a body length of 1-12m). The fishers are members of Fair-Trade fishers' associations where they can voice any concerns and report and remediate any instances of forced or child labour during Fishers Association meetings. 		
12	Identification documents		
	- Describe policies and practice in place across the UoC to ensure that crew members have free and timely access to their identification documents, including National ID, passports, visas, etc.		
СН	 Fishers are self-employed and not subject to any recruitment procedures which would require retention of their identification documents. In cases crew are hired, this is done verbally. Therefore, fishers and crew have free and timely access to their identification documents. With regards to the processor, in compliance with the Fair Trade standard requirement FHR - FL 1.3, the employer does not retain any part of the workers' salary, benefits, property or documents in order to force them to remain employed. 		

13	Additional comments	
	- Do you have additional comments on labour practices within the UoC?	
СН	No additional comments.	
14	Date this template was last updated	
	- DD/MM/YYYY	
СН	30/07/2019	

3. Appendix – Guidance on filling in the Certificate Holder Forced and Child Labour Policies, Practices and Measures Template

3.1 Composition of the fishery client group on behalf of who the statement is provided

If a fishery is in full assessment and the cost-sharing participants and arrangements are not yet determined, provide as much detail as possible regarding the expected cost-sharing entities that will comprise the client group, should the fishery achieve certification, and the relationship between such client group representatives and the vessel owners and operators in the Unit of Certification (UoC).

3.2 Responsibility for labour regulation

Provide information on laws and regulation and the authorities that have responsibility for labour regulations in the area in which the fishery operates, including flag state authorities where this is applicable. Describe how these are enforced.

3.3 Risk identification, mitigation and remediation

The information required in this section includes information known by the certificate holder on processes and practices that are applicable in the UoC to identify, assess, prevent and mitigate forced and child labour risks. The information may include government policy or measures, or where applicable, measures being implemented by the certificate holder.

3.4 Crew recruitment

The information required here includes information on the methods used to recruit crew in the UoC, any widespread use of migrant labour, the countries that crew come from and information on recruitment agencies used where this information is available and known to the certificate holder. It may also include information known of visa programs used to bring in workers to the UoC and on payment of recruitment fees.

3.5 Engagement with fish worker groups

In some countries, there may be engagement with fish worker groups or other types of organisations that work to address risks of forced labour. Where this occurs provide information on such engagement. This may include information on any organizations in the port area which support crew members socially, e.g. seafarers' ministry, fishers' association, local committees.

3.6 Crew contracts

Contracts are legal work agreements with labour duties and payments clearly spelled out. Describe the nature of crew contracts in the UoC, specifically features related to forced and child labour, whether the contracts are written in languages understood by crew and how provisions in the contract are enforced.

3.7 Audits and labour inspections

Describe any government labour inspections or social audits and certifications of working conditions within the UoC in the past 2 years. Where the information is available provide a link to the criteria against which the audit took place.

3.8 National minimum age requirements

For this section describe national minimum age requirements and provide a description of regulatory and private sector systems in place to confirm that minimum age restrictions are met. Include information on any exceptions to statutory minimum age requirements which are used by the UoC and information on policy for hiring young workers in compliance with national legislation. This should also include description of any policy or practices for monitoring including hours of work and rest for young workers. This may include information on any other programs which are monitoring labour in your UoC fishing area.

3.9 Repatriation

This section requires a description of how departure of crew members across the UoC is handled. This may include information about government, and/or where known, any applicable company policy on end of crew members' contracts; involuntary termination; leave (including family visits and medical treatment); freedom of movement during the work term and departure terms within crew member contracts.

3.10 Debt bondage

Deductions for costs of work from pay can cause debt bondage and put crew at risk of forced labour. Examples of such work costs include costs of getting to work, placement/broker fee, medical costs, safety gear, food at the workplace, remittance fees and repatriation costs.

Describe systems in place to avoid debt bondage. If there is evidence of systemic practices to impose costs on workers, what measures are in place to avoid debt bondage.

3.11 Grievance and remedy mechanisms

Provide a description of systems known to be in place that allow crew to share information, access assistance and report labour violations and how the systems work to address such reports and provide remediation.

3.12 Identification documents

Describe provisions across the UoC for crew to access their official identification (passports, visas, seafarers book). Where the law in a jurisdiction requires the vessel owner or captain to hold the crew members' official identification, describe the protocol, including government regulations in place to ensure that crew members can access their personal documents and have freedom of movement.

4. Template information and copyright

This document was drafted using the 'Certificate Holder Forced and Child Labour Policies, Practices and Measures Template v1.0'.

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Template version control				
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A controlled document list of MSC program documents is available on the MSC website (msc.org)

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