



The Guardian's Special Investigation
'The Supermarket Slave trail' - 10th June 2014
EXPLANATORY BRIEFING NOTE

What's the issue?

Currently, alleged slavery in Thailand's seafood supply chain affects all producers in Thailand. No one currently has full oversight of the supply chain all the way to the Thai fishing boats fishing in the Gulf of Thailand and beyond. These fishing boats catch fish and other seafood used for both human consumption and for the production of fishmeal.

Compounding the issue is the sheer number of fishing boats in the Gulf of Thailand, estimated to number in the tens of thousands, some of which remain unregistered.

What is fishmeal anyway?

Fishmeal, is a commercial product made from fish and the bones and offal from processed fish. It is a brown powder or cake obtained by drying the fish or fish trimmings, often after cooking, and then grinding it. If it is a fatty fish it is also pressed to extract most of the fish oil. Fishmeal is a nutrient-rich and high-protein supplement feed ingredient that stores well, and is used primarily in diets for domestic animals and sometimes as a high-quality organic fertilizer. (http://en.wikipedia.org/wiki/Fish_meal)

CPF currently purchases fishmeal from independent suppliers to produce shrimp feed (ie, shrimp food) to feed our farmed shrimp. Fishmeal is an ingredient representing only about 10% of our shrimp feed. It's controversial because some of it can be produced from fish by-catch that has been caught on boats operating illegally and sometimes abusing their crew – very often migrant workers. By-catch is the portion of the fish caught that humans don't eat.

So CP doesn't produce fishmeal themselves?

No, absolutely not – we just purchase it. But because we purchase a large amount, we are in a position to choose who we buy from and influence the industry. Having lobbied the Thai government and failed to get any proper traction, The Guardian are now putting pressure on the big global companies like CP.

So why don't you insist that the suppliers you buy from guarantee the fishmeal has been caught legally and by boats who look after their crew properly?

Since April 2013 we are doing this, but it is not something that can happen overnight. 40 of our 55 fishmeal suppliers are now participating in a scheme where CP pays a premium for legal, certified fishmeal. In fact, at the end of 2013, CP paid an additional 48.2 Million Baht in premium payments.

But this is just the first step.

We are also the only manufacturer in South East Asia to be introducing an independent certification scheme with independent checks on all suppliers. By the end of 2015, all our suppliers will have to adhere to this, otherwise we will stop buying from them.

Sounds like a long time – why don't you just pull out of fishmeal altogether?

Yes – we've seriously considered this and developed protein substitutes to make this possible. We can and will do this by 2021 if required.

So why don't you do it? Seems like the obvious thing to do?

Yes, that's what we thought until we announced our plans to the industry, who were in strong disagreement. CP pulling out of fishmeal simply shifts the problem to other stakeholders, as other companies will continue to buy the controversial fishmeal and the slavery issue will not improve.

We believe it is better to be in the process to help drive the change required – which is what we are doing.

We are the only company across the entire industry to face the cameras and stand up to questioning so we can raise the necessary awareness.

What if you bought your own fleet of boats?

Yes this would help with oversight, but we are not planning to go down this route. We are a farming operation, and not a fishing operation. If we can't make the change required by driving the fishmeal industry, we will have to pull out of fishmeal in 2021 as we have announced.

So what exactly are you doing right now as a result of the Guardian media coverage?

Fundamentally, CP believes that each and every person who works for CP, with CP as a supplier or through any part of CP's supply chain must, as an absolute minimum be treated fairly and with dignity at all times.

So, we are currently in the process of auditing our entire operation so that we can denounce slavery across each and every aspect of our supply chain and put in place and implement an independent spot check system across our business to guarantee that our supply chain is slavery free.

And what else?

Actually, we have a full programme of activity and longer term plans to ensure slavery is eradicated once and for all. We are lobbying the Thai Government to help them revise their fishery laws and have had a number of progress meetings with them. Amongst other things, we are pushing for full registration of fishing vessels to enable tracking of each vessel. We are also pushing for a clear fisherman certification scheme that will ensure migrant workers receive fair payment for the work they do. And to ensure they are treated in accordance with internationally recognized standards.

We also have a ten point plan that focuses on the environmental aspects of illegal fishing. This will ultimately lead to improvements in working standards for the fishermen and crew.

And most importantly of all, we have been instrumental in the formulation of Fishery Improvement Plans for the Gulf of Thailand and The Andaman Sea. These plans involve working with the Sustainable Fisheries Partnership and the World Wild Life Fund (WWF). We are currently working to raise funds for these essential projects to commence and alleged slave labour issues will be positively addressed in this work.

So what is your view on the Guardian commentary?

It's essential and we support it 100%. We just want to make sure that we can use the exposure and awareness to help us drive the improvement programmes to eliminate slavery in the Thai fishing industry. And that people fully understand the complexity of the current situation.

The Guardian could help by telling the story in context with reference to the work CP are doing but if they continue down a route of simply targeting the retailers with slavery allegations as they appear to have done, it will potentially make our task more difficult. It's an industry wide issue.

As we have explained, CP has a choice. We can simply walk away from fishmeal altogether. We have developed protein substitutes that we can use to replace it. Or we can continue do the right thing and behave responsibly by using our commercial weight and influence to help drive positive improvement.

We are making good progress, but we are at a tipping point. We can do nothing and witness these environmental and social issues destroy the seas around Thailand and the fishing industry for generations to come. Or we can help to drive the Fishery Improvement Plans proposed by the SFP and WWF. This will take a tremendous amount of will and resources from the Thai government and also industry players. As an example, the Fisheries Improvement Program of Vietnam is estimated to cost USD 120 million. The financial cost and the huge number of stakeholders involved is simply beyond what any single company can take on individually.

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