Is Certification Driving Social Change and Improvement in aquaculture?

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Background and methodology of the assessment
Employment in the aquaculture sector

Fish farming

>19 million people of which 14% women

Post-harvest

>7 million people of which 63% women

Can private voluntary standards contribute to address social and labour issues?

1 FAO 2018; 2 Phillips et al. 2016; 3 Kruijssen et al. 2018
Understand how BAP social and labour standards are applied and how they impact practices among producers, and processors

Generate learning on how social change happens in aquaculture
Methodology

- Qualitative, theory-based approach based on a theory of change
- Qualitative fieldwork in 3 selected countries based on in-depth interviews, focus groups (Chile, Indonesia, Vietnam)
- For each facility 3 types of respondents where applicable: management, workers, communities
- Interviews with auditors
Results

- Ease of compliance
- Patterns of compliance
- Changes in practices
- Outcomes for firms
- Outcomes for employees
Patterns of compliance across standards

Social & labour standards:
- Plants: 61 clauses
- FFC: 39 clauses
- Salmon: 38 clauses

Rate of non-compliance = \# of clauses with non-compliance / total \# of clauses audited

Rate of non-compliance 2017 & 2018 by set of standards:

- FFC farms: 0.047 (2017) vs 0.05 (2018)
- Salmon farms: 0.03 (2017) vs 0.03 (2018)
- Processing plants: 0.023 (2017) vs 0.025 (2018)
<table>
<thead>
<tr>
<th>Property Rights &amp; Regulatory Compliance</th>
<th>Patterns of compliance across standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Relations</td>
<td>Shows average non-compliance 2017-2018 &gt;3%</td>
</tr>
<tr>
<td>Discrimination and abuse</td>
<td></td>
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<tr>
<td>Child labour &amp; young workers</td>
<td></td>
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<tr>
<td>Forced labour</td>
<td></td>
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<tr>
<td>Freedom of association &amp; collective bargaining</td>
<td></td>
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<tr>
<td>Working hours</td>
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<td>Wages and benefits</td>
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<tr>
<td>Hiring &amp; terms of employment</td>
<td></td>
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<tr>
<td>Medical care</td>
<td></td>
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<tr>
<td>Protective equipment &amp; clothing</td>
<td></td>
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<tr>
<td>Worker health and safety</td>
<td></td>
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<tr>
<td>Staff facilities</td>
<td></td>
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<tr>
<td>Training</td>
<td></td>
</tr>
</tbody>
</table>

Source: Analysis of BAP audit data on social and labour standards 2017-2018.

Icons are from [www.flaticon.com](http://www.flaticon.com)
Rate of non-compliance across countries, size of bubbles reflects total certified volume

Source: Analysis of BAP audit data on social and labour standards 2017-2018.
### Regional patterns of compliance

Rate of non-compliance by country’s income category for all standards combined

<table>
<thead>
<tr>
<th>Clause_category</th>
<th>Higher Income</th>
<th>Upper Middle Income</th>
<th>Lower Middle Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Rights and Regulatory Compliance</td>
<td>5%</td>
<td>5%</td>
<td>2%</td>
</tr>
<tr>
<td>Community Relations</td>
<td>0%</td>
<td>1%</td>
<td>4%</td>
</tr>
<tr>
<td>Wages and benefits</td>
<td>1%</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Working hours</td>
<td>2%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Staff facilities</td>
<td>2%</td>
<td>5%</td>
<td>9%</td>
</tr>
<tr>
<td>Protective clothing</td>
<td>4%</td>
<td>1%</td>
<td>3%</td>
</tr>
<tr>
<td>Medical care</td>
<td>3%</td>
<td>7%</td>
<td>6%</td>
</tr>
<tr>
<td>Forced labour</td>
<td>0%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Child labour &amp; young workers</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Worker health and safety</td>
<td>8%</td>
<td>5%</td>
<td>8%</td>
</tr>
<tr>
<td>Hiring &amp; terms of employment</td>
<td>1%</td>
<td>2%</td>
<td>5%</td>
</tr>
<tr>
<td>Discrimination and abuse</td>
<td>1%</td>
<td>2%</td>
<td>10%</td>
</tr>
<tr>
<td>Freedom of association and collective bargain</td>
<td>1%</td>
<td>1%</td>
<td>3%</td>
</tr>
<tr>
<td>Regulatory management</td>
<td>1%</td>
<td>1%</td>
<td>0%</td>
</tr>
<tr>
<td>Training</td>
<td>3%</td>
<td>5%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Source: Analysis of BAP audit data on social and labour standards 2017-2018.
Rate of non-compliance of shrimp farms 2009/2010 and 2017/2018

<table>
<thead>
<tr>
<th></th>
<th>2009-2010</th>
<th>2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Average rate of non-compliance</strong></td>
<td>0.56</td>
<td>0.05</td>
</tr>
<tr>
<td><strong>Top 5 clauses</strong></td>
<td>NC</td>
<td>Top 5 clauses</td>
</tr>
<tr>
<td>3.7: Meals provided are wholesome and commensurate with local eating customs</td>
<td>0.99</td>
<td>3.18: Risk assessment to minimize any workplace hazards. 0.17</td>
</tr>
<tr>
<td>3.11: Protective gear provided to employees</td>
<td>0.98</td>
<td>3.27: All employees receive training on health, hygiene and safety. 0.16</td>
</tr>
<tr>
<td>3.8: Basic medical care is provided</td>
<td>0.97</td>
<td>3.23: Employee housing meets local and national standards. 0.16</td>
</tr>
<tr>
<td>3.4: Employee housing meets local and national standards</td>
<td>0.94</td>
<td>3.21: Equal opportunity w.r.t. recruitment, compensation, etc. 0.15</td>
</tr>
<tr>
<td>3.5: Safe drinking water is readily available to employees</td>
<td>0.94</td>
<td>3.15: Used labor services inform about worker rights and conditions. 0.11</td>
</tr>
</tbody>
</table>

Source: Analysis of BAP audit data on social and labour standards 2017-2018.
Ease of compliance

- Compliance facilitated by
  - national rules and laws
  - other standards
  - the clear instructions provided by BAP

- Certification voluntary: certified farms and plants often more advanced

- Some specific challenges:
  - Chile farms: community relations (time)
  - Indonesia farms: compliance became easier over time as understanding increased
  - Vietnam: changes in contracts, and reduction of shifts.
Changes in practices

Scoring of statements related to perceptions of the BAP social and labour standards by management

<table>
<thead>
<tr>
<th>Score range</th>
<th>Farm</th>
<th>Plant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social and labour practices are continuously monitored and adjusted in the company</td>
<td>1. Fully disagree</td>
<td>4.0</td>
</tr>
<tr>
<td></td>
<td>3. Neither agree nor disagree</td>
<td>3.8</td>
</tr>
<tr>
<td></td>
<td>5. Fully agree</td>
<td></td>
</tr>
<tr>
<td>Initially, to meet the BAP social and labour standards the company made</td>
<td>1. no changes</td>
<td>2.6</td>
</tr>
<tr>
<td></td>
<td>2. minor changes</td>
<td>2.5</td>
</tr>
<tr>
<td></td>
<td>3. major changes</td>
<td></td>
</tr>
</tbody>
</table>

Source: Average scores of all firms interviewed during fieldwork, on a Likert scale.
**Outputs and intermediate outcomes**

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**Intermediary outcomes**

**COMPLIANCE WITH STANDARDS**

**Communities**
- IOC1: improved interactions and conflict resolution

**Employees**
- IOE1: using the mechanisms to address rights
- IOE2: improved practices

**Firms (farms/processors)**
- IOF1: Practices implemented for decent working hours
- IOF2: Practices implemented for improved health and safety
- IOF3: Practices implemented to prevent discrimination and sexual harassment
- IOF4: Practices implemented for fair remuneration
- IOF5: Grievance mechanisms and disciplinary procedures implemented
- IOF6: Practices implemented for freedom of association and collective bargaining
- IOF7: Practices implemented to prevent forced and child labour

**Auditors**
- IOA1: Auditors have improved the way they audit for labour and social standards

**Outputs**

**Communities**
- OPC1: Have regular meetings with firms when needed

**Employees**
- OPE1: increased awareness of labour rights
- OPE2: increased knowledge and use of safety procedures

**Firms (farms/processors)**
- OPF1: Changed attitudes towards social standards
- IPF2: Dedicated staff in place to assure compliance

**Auditors**
- IPA1: have improved their understanding of labour and social standards

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**LEGEND**

- Not enough evidence to make a judgement about this indicator
- Indicator fully or close to fully achieved
- Minor issues associated with this indicator
- Major issues associated with this indicator
- Critical issues associated with this indicator
Outcomes – long term

**Long term outcome**

**MICRO**

**Communities**
- LOC1: Positive and productive relations
- LOC2: No conflict related to resource use

**Employees**
- LOE1: Improved incomes
- LOE2: Improved employment
- LOE3: Improved wellbeing
- LOE4: No issues "beyond the gate"

**Firms (farms/processors)**
- LOF1: Improved productivity
- LOF2: Lower staff turnover
- LOF3: Improved market access

**LEGEND**
- Not enough evidence to make a judgement about this indicator
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Positive and productive relations
No conflict related to resource use
Improved incomes
Improved employment
Improved wellbeing
No issues "beyond the gate"
Improved productivity
Lower staff turnover
Improved market access
Conclusions

• Ease of compliance reasonable
• Certified companies likely already ‘advanced’
• Improvements related to social & labour practices
• Impacts context dependent
• Market access facilitated
• Difficult to clearly show impact on bottom line
• Integrated package with other standards beneficial
Conclusions

- Behavior change not fully achieved by certification
- Minimum wage vs. living wage
- Certification as a continuous improvement tool
- Part of a larger toolkit for social change
- Spillover to non-certified firms is limited
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