

ASC Response to SeaChoice Report “Aquaculture Stewardship Council (ASC) certification in Canada: Technical Report”

As an organisation borne from a multi-stakeholder process and dedicated to transparency and ongoing improvements to our standards and processes, the ASC is pleased to receive input from those who share our goal to improve the environmental sustainability and social responsibility of the aquaculture industry. The report authored by SeaChoice offers a constructive analysis and will be considered during the review and revision cycles for both the ASC Salmon Standard and the ASC Certification and Accreditation Requirement (CAR) document.

The ASC has already begun to make improvements through the recently completed Operational Review of the ASC Salmon Standard (v.1.1) and ASC Tilapia Standard (v1.1). To make further progress towards our mission and meet the needs of stakeholders, in May 2017 the ASC established a Programme Integrity Team. The team is charged with strengthening processes and will conduct due diligence—including, but not limited to, quality assurance checks and the current and ongoing review of variance request procedures—to ensure ASC standards applied in the field honour the intent and purpose of the programme.

The ASC is not static and we are fully committed to progress and accountability. We take seriously our pledge to maintain best practices and to further review and refine our own standards and processes on an ongoing basis. We actively seek input from diverse interest groups and endeavour to represent their voices through a balance in our standards. Balance is also reflected in our governance as both representatives from the private and public sector serve on the ASC Supervisory Board and our Technical Advisory Group. At the time of writing, we have five members of the Board from independent organisations including academia, environmental NGOs and not-for-profits, and two industry representatives. Our Technical Advisory Group is consulted on updates to standards and also includes conservation groups and NGO’s such as the David Suzuki Foundation.

The ASC is still a young programme—the first farm was certified less than five years ago and the first salmon farm achieved recognition in 2013. The standard as applied has the net effect of pushing producers to perform to comprehensive, transparent criteria that is unmatched in any other single jurisdiction. The farms in the programme voluntarily distinguish themselves by achieving and retaining ASC certification. This recognition compels them to match our ambition and advance as our standards and process advance.

It should be noted that the CAR is applied to all species and all realities, so a species specific CAR as suggested by SeaChoice would be against efficiency and consistency within the programme, especially in light of the ongoing process to create an ASC Aligned Standard for all species. However, the organisation has already taken proactive steps—including adopting a quality assurance protocol, investing in a new IT platform to improve auditor reporting and data gathering and updating auditor training—in consultation with multiple stakeholders and internally, to identify opportunities to further strengthen our programme. Thus, many of the recommendations from SeaChoice align with actions the ASC is already taking or has plans to address in the near term.



ASC response to recommendations made by SeaChoice

Recommendation:

1. Enhance the Quality Assurance Framework to ensure CABs are:
 - a. providing the required metrics to demonstrate compliance with the standard
 - b. raising non-compliance appropriately and consistently.

ASC Response:

The ASC is currently in the process of strengthening its Quality Assurance (QA) framework.

A. The ASC is taking corrective actions regarding metric reporting. The following changes are already in place or will soon be implemented:

- ✓ An updated mandatory audit report template featuring more guidance for CABs
- ✓ Weekly calls with ASI—to include CABs as appropriate—to raise awareness of correct metrics reporting procedures and other matters
- ✓ Greater emphasis will be given to metric reporting during quality assurance (QA) checks
- ✓ Procedures for metrics reporting will be included at auditor training

B. ASC is committed to a process of frequent review for many reasons. Among these is the simple reality that our standard is applied in a very complex operating environment and it is important to assess whether an indicator is effective and applicable on an ongoing basis.

As much as we wish it were, the determination and application of non-conformities is not an exact science. The application is complicated because of the various ways performance indicators interact within a standard, the ways a non-compliance may relate to one or more performance indicators and because what is observed in real time during an audit may vary. Therefore, it is not possible or realistic to apply a strict “if/then” formula for every possible circumstance. Reasons for this include the number of possibilities that an event or action—the “if”—may have occurred, including error, an isolated event or a systematic problem that may seem unconnected to the observed issue.

Despite these realities, the ASC wishes to improve consistency across all of our standards and is developing further auditor guidance to provide clarity on when to raise a non-compliance and how to judge its severity. The guidance in development includes feedback on lessons learned from farm certification reports to illustrate different interpretations and to foster better understanding of the process by developing a baseline for future reference that can be used by CABs.

Recommendation:

2. Ensure global and regional statistical significance in the Quality Assurance Framework methodology.

ASC Response:

ASC is currently developing a new Quality Assurance Framework and Procedure. The document calls for a risk-based approach to sampling audit reports for quality assurance checks. The framework will be made public on the ASC website and is expected to be complete by August 2017.

Recommendation:

3. Incorporate expert and stakeholder input into the variance request approval process to follow ISEAL Code of Practice.

ASC Response:

ASC's variance request (VR) process is in compliance with the ISEAL Assurance Code.

In accordance with the requirements in ISEAL Assurance Code 6.4.8 Exceptions, the VR process is publicly available in the ASC CAR v.2, CABs receive prior VR approval from ASC, the list of approved VRs is publically available on ASC's website, a complaints procedure is in place and all standards review and revisions take approved VRs into account.

ASC wishes to improve the existing system and has been working to more formally document the VR approval process beyond what is necessary for ISEAL compliance. The new process will provide greater detail and allow targeted requests for information to strengthen decision making processes.

The process for the future development of new policies and revisions to ASC standards, other scheme documents and practices— will be included. The VR process will be integrated into this approach. Once implemented, the policy framework will provide a clear decision making process and bring further transparency to the process of approving VRs and other content-related changes. In keeping with our commitment to maintaining a transparent programme, all documents and procedures will be published on ASC's website upon completion.

Recommendation:

4. Review already approved variances to ensure that they meet the ISEAL Code of Practice. In the event, they do not, reassess the variance following a stakeholder inclusive process (recommendation 3).



ASC Response:

ASC is currently conducting a review of its VR process to incorporate learnings into the new procedure for approvals mentioned above and also as part of upcoming standards Operational Reviews.

Reviews of VRs are an on-going process, and requests previously granted on CAR v.1 were reviewed and taken into account during the writing of the recently revised standards. The learnings were incorporated into CAR v.2, and the new VR procedure will also reflect these updates in a more systematic manner. In keeping with our dedication to transparency, the list of published VRs on the ASC's website will also be regularly updated.

We also agree that a broader review will be commissioned.

Recommendation:

5. Revise the CAR to prevent the application of variances to subsequent applications for certification, in the absence of express evidence that "identical situations" exist. Consider stipulating the evidentiary requirements in more detail.

ASC Response:

Once complete, the VR approval procedure currently in draft will include guidance to provide CABs with an example of when a previously granted VR can be applied. In addition the VR approval procedure will detail how the decision making process for VRs works.

Recommendation:

6. Include the application of variances within audits in the quality assurance program to ensure CABs are applying varied criteria to compliance and are not as exemptions.

ASC Response:

Review of the approved VRs is one of the control points examined during the QA work done by that team when checking audit reports. We have also already incorporated further guidance for CABs to provide stronger evidence and justification when seeking VRs as part of the new protocols.

Recommendation:

7. Revise the CAR to stipulate the earliest an audit can occur is >75% peak biomass (as required by the revised salmon standard benthic indicators). Likewise, broaden the requirement to raise a minor non-conformity to include all indicators that rely on a full production cycle of data. Closure of these non-conformities should occur before certification awarded. This is consistent with the stipulation that farms must fulfil 100% of the standard's requirements in order to be certified.



ASC Response:

The CAR applies to all species. The changed benthic indicators in the revised Salmon Standard do not contradict CAR requirement 17.4.6 that allows for the initial audit to be conducted outside of the harvest period. Nonetheless, additional guidance on the revised indicators of the Salmon Standard will be provided for consistent application across CABs.

The current CAR v.2 includes requirement 17.1.2.1 which states: “*All clients seeking certification shall have available records of performance data covering the periods of time specified in the standard(s) against which the audit(s) is to be conducted*”. A non-conformity can be raised against this requirement of the CAR. ASC will adjust the audit report template to facilitate reporting on CAR related non-conformities as well.

We agree that our approach to nonconformities needs further attention and we will continue to review procedures on an ongoing basis.

Recommendation:

8. Modify the CAR to require major non-conformities identified during the validity of a certificate to be raised immediately upon identification and, if still open at time of harvest, stipulate that the ASC label should not be used.

ASC Response:

It is worth noting that there have been incidences of farm certificates being withdrawn or suspended due to major non-conformities identified during the validity of a certificate. As a result, those farms were not able to use the ASC logo on product associated with the impacted sites. However, we acknowledge the supporting material may lack clarity for those who are unfamiliar with the procedure in such an event.

The recommendation touches on two interlinked issues that ASC has been reviewing internally and will bring to the Supervisory Board and Technical Advisory Group once those reviews have concluded. The first action is to bring more clarity on the nature of major non-conformity—i.e. systematic failure of recording a metric vs one time non-complying with a particular metric indicator— which would require the farm to report a failure under the future ASC Aligned Standard. Clearer guidance will be developed as part of the standard creation process to provide clarity on when non-compliance against a particular performance indicator should result in a major non-compliance being raised, including those with metric requirements.

The second issue regards the detection and reporting on those major non-conformities during the validity of a certificate, and the consequence of doing so. This will be addressed during the revision to the CAR. We want to ensure the continued reporting of major NCs during the validity of a certificate and we recognise that adding clear definitions will support our aims.



Recommendation:

9. Amend the CAR to provide further guidance for the suspension, re-instatement and withdrawal of certificates, having specific regard to the timely disclosure of evidence supporting these decisions, transparency and stakeholder engagement. Consider a specific rule that suspension must be enforced at any time the auditor becomes aware of major non-compliance (that would disentitle an applicant on an initial audit of certification) in order to bring the CAR in line with the salmon standard that requires 100% compliance with the standard.

ASC Response:

The ASC will provide CABs and stakeholders with a guidance on the suspension and withdrawal process. This guidance will also be taken into account during the CAR revision processes.

Recommendation:

10. Amend the CAR to provide more specific direction to the CABs to ensure that audits assess the entire 'Unit of Certification' as defined. Consider a specific direction to include hatchery, nursery and initial grow-out or other intermediary sites in the assessment, accounting for all relevant standard indicators at all sites within the unit of certification .

ASC Response:

The ASC Salmon Standard requires smolt production to comply with Principle 8, and certain aspects of hatchery compliance regarding disease management are also already included in the standard. Coverage of nursery and intermediate sites will be considered for the upcoming review and revision cycles that will be initiated with a review of current practices related to use of consecutive sites.

Recommendation:

11. Include the above audit processes recommendations into the quality assurance program to ensure CABs are following processes, guidelines and timelines appropriately.

ASC Response:

All featured improvements and new content will be considered and carried forward, to the extent possible, into the QA procedure.

Recommendation:

12. Establish a Stakeholder Advisory Group that represents a diverse range of stakeholders. The SAG would allow the opportunity for stakeholders to raise concerns and critical issues to the TAG and ASC Supervisory Board.



ASC Response:

The ASC Technical Advisory Group (TAG) has a dual function and currently provides both technical and stakeholder feedback. The ASC Supervisory Board is investigating next steps for the formation of a SAG. This review will also cover possible future interactions of the SAG with both the TAG—which would then shift focus to a purely technical advisory body— and Supervisory Board.

Recommendation:

13. Establish a process to link identified stakeholders to participation in variance requests (i.e. recommendation 3).

ASC Response:

ASC will seek input from beyond the VR committee when appropriate and as established in the procedure that will guide future VR approval processes. Once ready, this procedure will be made public.

