

Sustainable Seafood Guidance Note [2012]

This note documents Massmart's position on sustainable seafood advocacy and sourcing.

Background

According to the World Wildlife Foundation (WWF) 85% of the world's fish stocks are either overexploited or being exploited to their full capacity. Given the status of global fish stocks, overfishing has the potential to threaten both fishery health and global food security (FAO, 2010).

Fish and fishery products represent an important source of protein and nutrients for people in both developed and developing markets, providing more than 40% of the world's population with almost a fifth of their animal protein intake (FAO, 2012).

It is forecast that over the next few years, demand for seafood is likely to increase by as much as 10% per annum (FAO, 2008). However, roughly 8% of annual fish catch is discarded every year as bycatch.

Given the growing demand for seafood, the pressure that global fish stocks are currently under and the significant proportion of fish that is discarded annually as bycatch, increased sustainable fishery management practices are urgently required to protect fish stocks and to meet the needs of future generations.

Walmart Position

Walmart US and Sam's Club require all fresh and frozen, farmed and wild seafood suppliers to become third-party certified as sustainable, using Marine Stewardship Council (MSC), or an equivalent standard, or be part of a credible fishery improvement project.

Massmart Position

Massmart has a modest seafood offering, which primarily comprises canned and frozen products sourced from local and international fisheries and through seafood traders. Although Massmart does not offer locally caught line fish species, we are aware that we need to adopt policies that promote sustainable fishery management; ensure responsible seafood sourcing; and prevent the purchase and sale of threatened, endangered or red-listed fish species in our stores.

As a responsible retailer, Massmart recognises that it needs to promote sustainable fishery management and ensure that the seafood products it offers its customers have been sourced responsibly from well-managed fisheries. With this in mind, Massmart has implemented a marine advocacy process for suppliers and introduced a set of responsible seafood sourcing guidelines for buyers. Furthermore, Massmart will assess annually the

conservation status of the seafood species and fisheries from which it sources to ensure that it does not sell species that are considered to be at risk.

Actions

Massmart will implement the following measures to promote responsible and sustainable seafood sourcing:

1. Marine Advocacy Process

Massmart has formalised a marine advocacy process aimed specifically at identifying risks and opportunities for pragmatic action between Massmart and its suppliers around issues of seafood sustainability.

The advocacy process entails the following steps:

- Supplier advocacy survey,
- Supplier workshops,
- Site assessments and data verification,
- Compilation of a marine advocacy report.

2. Eco-Standards

Where appropriate, and with due regard for smaller local suppliers, Massmart will encourage suppliers, through its Marine Advocacy process and the facilitation of workshops between suppliers and relevant seafood certification agencies, to consider the adoption of eco-labels that certify seafood sustainability. Furthermore, Massmart will assist in preparing the fisheries, from which it sources, for certification by engaging with them on issues of seafood sustainability through its Marine Advocacy Process.

3. Seafood Procurement Guidelines

Massmart, through the adoption of the following seafood procurement guidelines, is intent on increasing seafood supply chain transparency and preventing the purchase of seafood that is considered to be at risk.

- Massmart will not source any endangered, critically endangered or SASSI (Southern African Sustainable Seafood Initiative) red-list species.
- Massmart will not source seafood from illegal, unregulated and undocumented (IUU) fisheries.
- As a product listing condition, Massmart will require all seafood suppliers and traders to disclose details of country of origin, fishery origin, gear type and species in the form of an affidavit.
- To give force and effect to the above requirement, Massmart reserves the right to request evidence of chain of custody documentation as part of a random assessment process.
- Massmart will run annual seafood sourcing workshops for buyers, to sensitise them to high risk species and educate them regarding sustainable seafood alternatives.
- All seafood suppliers and traders will be required to participate in Massmart's Marine Advocacy Process.

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- New seafood species listings will be subject to review with reference to the SASSI species list, by the Group Environmental Manager.
- Massmart, in consultation with relevant experts and NGOs, can delist any species that it considers to be of unacceptably high risk.
- All traders supplying seafood to Massmart will be required to disclose the measures that they have put in place to ensure that they do not source seafood from high risk or IUU fisheries.