

BACKGROUND AND GUIDANCE FOR INTERNATIONAL COMPANIES TO ENGAGE IN THE VIETNAM YELLOWFIN TUNA FISHERY IMPROVEMENT PROJECT (FIP)

What is the FIP?

The Vietnam yellowfin tuna FIP process began in 2013 with the completion of a Marine Stewardship Council (MSC) pre-assessment. An FIP Action Plan was completed in early 2014, which describes the necessary FIP activities, with associated responsible parties and timeframes, required to meet the MSC standard.

The FIP was formally launched in April 2014, having entered the implementation stage, with activities commenced and slated to be tracked and audited annually through to 2019.

What is the scope of the FIP?

The FIP covers ***all yellowfin tuna caught by Vietnamese handline and longline vessels***. It does **not** cover bigeye or any other tuna species. It also does **not** cover yellowfin tuna caught by foreign vessels (i.e. raw material) that is processed in Vietnam and re-exported as “product of Vietnam” (note that this category represents around 60% of Vietnam yellowfin export, and forms the basis of the need for product traceability in the FIP...as described below).

Who manages the FIP?

The FIP is managed by the FIP Coordination Unit - consisting of WWF (Coral Triangle Program and Vietnam National Office) and Vina Tuna. These two organizations manage overall FIP activities in close collaboration with stakeholders and with other WWF national offices.

What are “FIP Participants”?

Several international tuna suppliers and retailers are currently recognized as **FIP Participants** (also described as “FIP Partners” in some documents). These companies have pledged, through MOU agreements with WWF, to support the FIP Action Plan (e.g. engaging with their source fishing vessels, captains and crews on logbook adoption, awareness and observer program expansion) - and have committed to work with their domestic processors in adopting FIP Traceability. In turn, these international companies are recognized as FIP Participants, and are recognized by WWF as providing FIP products (subject to agreed-upon communication and marketing protocols).

MOU Agreements with FIP Participants

The MOU Agreements with FIP Participants primarily aim to ensure that industry partners are achieving appropriate standards for traceability, corporate communication and marketing in their FIP-related activities. These Agreements also help finance core FIP activities, and open other funding channels through diverse supply chains. Several WWF National Offices are likewise engaged in these corporate arrangements.

Some of the essential elements of the Agreements (and overall structure of market recognition related to the FIP) are:

1. The FIP Participant agrees to assist and support, to the extent practically possible, the various elements of the FIP Action Plan, such as:
 - a. engaging with their source fishing vessels, captains and crews on logbook adoption
 - b. fisher awareness programs
 - c. sign-on and other advocacy campaigns providing consensus recommendations to the Government of Vietnam in relation to FIP progress
2. The FIP Participant commits to adopt **FIP Traceability** (“Fit for FIP”) in their supply chain within 12 months of signing the agreement, and be auditable within 18 months (the Fit for FIP traceability design is described below)
3. The FIP Participant pays an initial annual fee of \$8,000 USD, with the understanding that a new financing mechanism will be developed by consensus in 2016, with the goal to be pro-rated to the relative volume of production by the individual company

Market Recognition for FIP Participants

Only companies with signed and valid Agreements are recognized by WWF as providing FIP fish (e.g. provided with a Disclaimer for use for B2B purposes). The MOU Agreements outline specific elements and limits of the market recognition applied to FIP product (see Communication Protocols under FIP Agreement)

A generic text and description will be provided for FIP Participants in good standing, to use with their processing partners. This will not be a “logo”, and does not name WWF specifically nor make any recommendation etc. from WWF, but the aim would be to include a website address and/or traceable code that leads to specific information on the FIP.

Pre-qualification

To become a FIP Participant, an important pre-qualification requirement is that the company demonstrate relevant business engagement before January 2014 (i.e. buying/selling/distribution of seafood from Vietnam and/or having sourced from a Vietnamese company that has engaged in buying/sourcing seafood from Vietnam before the above date). This is to ensure that the FIP itself does not lead to a significant increase in market demand for Vietnamese yellowfin tuna (i.e. leading to increased pressures on the resource, which is counteractive to FIP management objectives for this fishery)

FIP Traceability

The FIP is applying “Fit for FIP” (F4F) traceability as a requirement for all FIP Participants, to ensure that Vietnam yellowfin tuna is differentiated in the marketplace. This requirement is particularly important in Vietnam where export volume exceeds domestic catch and over half of total exports (i.e. frozen yellowfin steak and loins) use foreign raw material which is re-exported.

FIP Partners are required to have a traceability system in place within 1 year of signing their Agreement, and for this system to be audited by an independent 3rd party within 18 months. These measures will help ensure unqualified products do not dilute the marketplace with inappropriate “FIP” fish.

The aim of F4F is also to increase the number of FIP Participants MOUs by expanding the pool of eligible processors (i.e. include their international buyers not already in MOUs, which also increases annual funding for FIP Action Plan field activities).

Which Processors Can Provide FIP Traceability?

Several Vietnamese processors have made a commitment to support the use and adoption of the FIP traceability system and design that has been developed and agreed-upon by consensus by FIP stakeholders. In this way, these companies, as domestic processors, are recognized as being able to provide “FIP eligible” products to an appropriate FIP Participant company. As of March 2016, the list of participating processors includes:

- Hai Vuong
- Ben Vung - Sustainable Seafood Company (SSC)
- Tin Thinh
- BIDIFISCO
- Hong Ngoc TPE
- Ba Hai
- Mai Tin (Evertrust)
- Amanda
- Amasea
- Thinh Hung
- Hai Nam

Becoming a FIP Participant

Suppliers/exporters can become a recognized FIP Participant through a working with the relevant WWF national office and the FIP Coordination Unit. Specifically, the steps/process include:

1. Contact and discussions with the relevant WWF national office, aided by the FIP Coordination Unit, on the parameters of the FIP Participant MOUs, including provision of a general template for discussion
2. Internal due diligence conducted by the relevant WWF national office to assess company qualification etc.
3. Signing of the MOU with the relevant WWF National Office and/or WWF Coral Triangle Program
4. Payment of initial annual fee of \$8,000 USD, with stated understanding that a financing mechanism will be developed in 2016 that will be based on relative production volumes (i.e. pro-rated system)
5. Provision to the company with a Disclaimer letter, from WWF, to be used by the company in its B2B applications, as well as public listing of the company as a FIP Participant in relevant WWF websites.

Contact Information:

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For more information on the FIP visit:

http://wwf.panda.org/what_we_do/where_we_work/coraltriangle/solutions/vietnam_yellowfin_tuna_fip/