Vietnam Yellowfin Tuna Fishery Improvement Project (FIP) Traceability Program:

Overview of FIP Trace Code Assessment Protocol, Preliminary Auditing and Benchmarking Against Key Criteria

Vietnam Yellowfin Tuna FIP Coordination Office
(with technical inputs from Bureau Veritas Vietnam)

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1. Background

The Vietnam Yellowfin Tuna Fisheries Improvement Project (FIP), managed by WWF and the Vietnam Tuna Association (VinaTuna) in partnership with several international suppliers and domestic processors, and the government of Vietnam, was launched in 2014.

A key aspect of the FIP is to ensure that Vietnam yellowfin tuna is differentiated in the marketplace. This requirement is particularly important in Vietnam where over half of the total yellowfin tuna exports use foreign raw material, which is re-exported, and therefore not eligible as a FIP product in the marketplace.

For FIP industry partners to have recognized FIP products they are required to have a traceability system in place which helps track yellowfin tuna products coming from the FIP. The FIP traceability system and protocol was developed in 2016 - designed in close collaboration with industry partners and third-party auditor experts, with the aim of establishing a practical traceability program that will allow all FIP product to be differentiated and traceable back through the supply chain—from the vessel, landing port, receiving, processing, preservation, and packaging. Importantly, the FIP traceability system will also provide Vietnamese tuna processors with a tool than can be applied to help their businesses meet international anti-IUU requirements.

**FIP Trace Code**

The key element of F4F traceability is a unique trace-code (UTC) proposed to be used for each batch of FIP product on the relevant production records to enable the tracing and tracking of the FIP product in any stage of the supply chain (see Annex I for details on FIP trace code structure and protocols).

The key elements of the trace-code include: species identifier (i.e. yellowfin tuna); Julian date; letter codes denoting year, port, and gear (i.e. longline or handline); and sequence number (truck sequence delivery on date).

A hypothetical example of the UTC is as follows:

FI-207-271-6-07-1

- “FI” represents “yellowfin tuna from FIP”
- “207” represents the company (processor) code
- “271” represents the Julian date
- “6” represents the calendar year (i.e. 6 = 2016)
- “07” represents the port code (i.e. 07 = Hon Ro port)
- “1” represents gear type (i.e. 1 = longline)

The FIP traceability program began implementation in four major tuna processors, commencing in October 2016. This roll-out included training sessions with domestic processors on FIP trace code application and identification of key points in the chain for robust and consistent traceability.
It has also been recognized that the FIP trace code, as a product traceability system, should not “start from scratch” but rather build from existing data collection and documentation protocols already well-established and resourced inside tuna plants. The trace code is thus established as a traceability guideline adapted from current HACCP system of the participating tuna processing plants, and with the aim of tracking yellowfin tuna product flow through a management system implemented at the processing plant level.

In this report, we assess the feasibility and effectiveness of the FIP trace code in practice following initial trials, and compare the FIP trace code with MSC CoC Default Standard version 4.0, and also against the essential information that is required (or expected) under the new US trace code (SIMP) guidelines and requirements. This will allow WWF, VinaTuna, FIP industry partners and participating processors to identify opportunities for improving the current FIP trace strategy.

2. Methodology

i. Interviews with four (4) processors, conducted by VinaTuna and Bureau Veritas technical staff. The 4 companies engaged were chosen based on their representativeness and their current active engagement in the FIP trace-code (i.e. have been participating in setting up a protocol for several months previous)

ii. Audits (site visits) of the above four (4) processors, conducted by VinaTuna and Bureau Veritas, and using an assessment methodology developed by the above and WWF

3. Assessment and Discussion

The comparison of the FIP trace code system with MSC CoC and the new US trace rules (to the extent that these are known at this time) focuses on three key components:

1. The standard criteria of each system
2. The applicability of the control system, and
3. The scope of the FIP guidelines that could be implemented/improved

This discussion is in reference to the documents “Traceability Protocol for FIP Products”, “NOAA Trace Rule” and “MSC Chain of Custody Default Standard version 4.0” (MSC CoC)

Key Criteria of MSC Chain of Custody Vs FIP Trace Code

In the following table, key criteria of MSC CoC versus FIP Trace Protocol are highlighted:
Generally, the FIP trace protocol covers all basic criteria of the MSC CoC traceability control system. Indeed the FIP trace code is designed to simplify the system by giving clear guideline for implementation by producers from the point of catching/landing of FIP products until dispatching, including any interval phases between input and output.

It is somewhat difficult to compare the FIP Traceability Protocol with MSC CoC in full, because the nature of this FIP trace protocol covers only yellowfin tuna products in Vietnam, whereas MSC CoC standards addresses controls for many types of production processes as well as many different species in many countries. However, the tuna production chain in Vietnam is also complicated, with many producers in parallel producing FIP yellowfin tuna and non-FIP yellowfin tuna (i.e. re-exported) which presents the risk of substitution and mixing. Moreover the tuna vessels are not from a certified MSC fishery, and its products sometimes flow through brokers/agents.

Thus, after onsite inspections, we conclude that the FIP traceability should have additional criteria to ensure the traceability system is of the highest practical integrity.

**Input Controls**

There are four key steps to control the inputs of FIP products:

1. Require that the raw material is from eligible FIP source (i.e. is caught in Vietnam by a legally registered handline OR longline vessel)
2. Require that the FIP products being processed and eventually sold into the supply chain are from participating tuna processors that are adopting a FIP trace code protocol
3. Require product is from a legal vessel with sufficient documentation
4. Require that processed YFT can be traced to a legally-registered Vietnamese vessel

MSC CoC requires that the suppliers are from a MSC certified fisheries (or from MSC CoC certified source), so that the sources of raw material at input are controlled by reliable certification program for suppliers. For the FIP, because all yellowfin tuna that are captured from Vietnam are considered as FIP products, the FIP protocol depends in part on the legal documents of vessels, such as vessel license.
granted by MARD, the verification documents made by landing ports officers, logbooks (completed by either Observers or by fisherman) and the catch diary (e.g. NOAA Captain’s statement) written by fisherman.

During the onsite trial audits against four (4) producers in Khanh Hoa, Phu Yen and Binh Dinh, we found that vessels’ documents are maintained by all producers. Control system for FIP inputs is in place for three (3) producers who already are implementing the FIP traceability protocol, and with acceptable effectiveness.

All producers have vessels capture licences even for producers that buy raw material from brokers. The vessel capture licences contains the information of name, ID number, flag, fishing gears (longline & handline fishing). As this is the official government licence, this can be considered as evidence of authorization. All producers request the vessels to fill in a form titles “Vessel preserving monitoring form” which includes a capture time-table with details of tuna weight and preservation condition on-board. This to answer the common questions of “what, when and how much”?

Moreover, some producers utilize a “capture recognition” document granted by landing port officers. This document is only required for products that are intended to export to EU market (mentioned in the Circular no. 25/2013/TT-BNNPTNT). This document officially confirms the weight of tuna from each vessels.

A further document is the “capture diary” of each vessel, with details of sea route as well as fishing ground location. This document is lacking for many cases (only available for vessel of Binh Dinh province), so that difficult to answer the question of “where” the fish were harvested (i.e. at any detail other than within Vietnam EEZ and FAO statistical area).

In conclusion, we recommend the following criteria that FIP traceability protocol would cover for Input Control:

1. To define which input documents of vessels that are required to be collect and maintained by FIP producers (including any authority recognized documents if relevant), and what information in each documents is required.

2. Require producer to maintain vessels’ yield data with summary calculation of total 6 monthly capture weight of each vessel in a transparency verifiable format. This should be available during external audits or anytime when needs. The data will be used by external auditor or FIP control team to control error/fraud inputing.

3. The “On-board Raw material preserving monitoring form” are filled by fishermans with details of “Fish - what and when” - this practice shall be required by FIP traceability protocol, instead of that it being now only required by producers’ HACCP system.

Overall, the design of the FIP traceability protocol is potentially effective to enable the traceability of FIP finished products back to inputs, combining with input details of each vessel that will enable buyers along the supply chain to confirm information of what, when and where. However, as detailed
later in this section, several important gaps exist in terms of key input data and/or internal systems.

**FIP Trace Code UTC**

As designed, the UTC contains clear information of FIP identification, Julian date, calendar year, landing port, gear type and requires the producer to combine this list of key data with their own trace-code in type of “A” or “B”, to enable buyer to read the UTC accessing to relevant information of FIP products.

During the onsite auditing, there was one case that the producer used the code “B” with only one number, escalating for each batch of product in the same date (where one batch of product is from only one vessel coming to the processing plant). This practice is a good example of using combining “A”-“B”. The question is then raised about whether the UTC should be added with one more number into “A” to cover the batch information or not?

However, in the discussion of using UTC, we recognize that different producers need different information to be controled by the trace code such as: worker teams, shift code, product specification code, client code, packaging code, PO number, etc. Thus “B” may be designed with more than one characters. Therefore, the current UTC format should be kept un-changed and no need to add the “batch number” inside “A”.

Keeping the current “A” format will also allow for the flexibility of the code and to adapt to any type of producers’ HACCP System or Quality Management System.

Indeed, the issue is not particularly about the component of UTC but about the controlling of using UTC on product labels. The FIP traceability should have guidelines to apply UTC on FIP product packaging material with integrity, including:

1. Define the text format, including but not limited to: font design, size, color, and accompanies statement with this code (if any)
2. FIP code have the dash (“-“) at middle of each character which is not necessary, we received comment from producers that they have difficult with the “Dash” because there is no stamp with dash (“-“) ready in the market.

**Segregation and Identification**

Segregation and identification are important requirements in FIP Traceability protocol as well as in MSC CoC Standards. The segregation system is implemented at any producing steps to control the substitution of different FIP batches, and of FIP and non-FIP products (i.e. as a condition of FIP traceability). The identification system is to support the segregation system and enable producers and buyers to identify the FIP products and in associated records/documents.
The criteria of segregation and identification requirements in the FIP traceability protocol are effective enough to control the FIP processing within the boundary of processing plant, from first receiving of raw material of whole fish until dispatching of finished products. As noted in onsite checking, most producers have good segregation for FIP products. Some producers have problems of segregation between different batches of FIP products in the preservation phase during peak period, because the cold warehouse does not have enough space. This may be a particular red flag for follow up development and investigation related to segregation system.

For MSC CoC, before coming to processing plant, the certified products are controlled by fishery certification or by another certified CoC systems, and this is mandatory for processing plant to receive the raw material as MSC certified. But for FIP products, there is no traceability scheme to control FIP product from landing ports until the first receiving point at the processing plant. Thus this is noted as a key requirement for FIP traceability protocol i.e. to control this part of product flow. (see below chart.)

Because of this issue, during the onsite verification at four (4) producers, the question was raised about the possibility of implementing FIP traceability to control products handled from the landing ports until the first receiving point (i.e. processing plant). Importantly, when transporting FIP yellowfin tuna, the common practice in Vietnam is that one truck will carry tuna from more than one vessels, so that it is impossible to comply with FIP trace code protocol’s original clause 6.1.1 which requires to have segregation system for each FIP batches (one vessel is considered as one batch). Thus, we suggest that the FIP trace code protocol adjust this clause.
In practice, from the landing port, all four producers visited mark the whole fishes using “color line” on fish tails, which enables the identification of each batch of fish at landing port and during transportation. In this way, the whole tuna fishes will be segregated at receiving point in the processing plants. Even for producers that buy tuna from agencies/brokers, they also request the agencies to practice this methods as a mandatory requirements of factory to accept the FIP products.

To summarize, our recommendations for segregation and identification are:

1. **For the first primary processing plant of FIP yellowfin tuna, there shall be a system to control the identification of FIP products from landing point, during transporting until the first receiving point of processing plant, and should be added to Criteria 7 about identification requirement**

2. **The segregation system between batches of FIP products shall be implemented beginning at the first receiving points onward. The identification requirement shall be implemented for all FIP products, and this requirement should be added to criteria 6 about segregation requirements.**

**Additional Controls**

There are other controls that are recommended to be added in the FIP protocol, pertaining especially to records control i.e. to maintain a verifiable evidences for the FIP control system.

The most important part of the system is the personnel of processing plant. In our onsite audits, we found some cases that only Quality Assurance Department of factories know about the FIP trace protocol; other key production staff and/or sales managers have little idea or understanding about the system’s requirements.

On the other hand, during the audit, the audit team found that one processing plant was using an external processor to handle the FIP tuna products. However, the FIP trace code protocol does not have the specific control requirement for the actives of external processor(s) who may do the primary/secondary processing, or packing/preserving FIP products for the auditing producer.

The onsite audit implements some general audit rules that the current FIP system does not have. For example, we categorize the non-conformity into three categories: Minor, Major and Critical; and categorize the compliant status into three levels: Full compliant, Improvement is needed, Not comply (see the audit reports). Under this structure, for the FIP trace code we note that one producer is in “Not comply” category, and 3 others are “Improvement is needed”. However, the FIP trace code protocol does not have guideline about which level of compliant is “acceptable”. When establishing a full FIP trace code system moving forward, this control term should be along with the sanction criteria to make sure the integrity of FIP producers.

To summarize, some key additional controls to improve in FIP trace code include:

1. Additional criteria about training for key staffs should be added into this protocol, to make sure the effective implementing the FIP system.
2. Additional and ongoing training and coaching of processing plant staffs
3. Additional requirements to control the external handling activity if any (this should include any external activities of producers or of contractor)
4. Clarify requirements for audit frequency (i.e. 12 months)
5. Clarify rules of audit conclusion (compliant, non-compliant, etc...), and sanctions (i.e. producers suspension from FIP program and banning from using FIP trace code)

**Comparison Matrix**

In the table below, we compare the FIP trace code criteria with MSC CoC Default Standard version 4.0, and also compare the possibility of FIP trace code to cover all required information of USA trace code (SIMP). We then assess the compliance of the four companies (anonymous for this report) initially audited.

<table>
<thead>
<tr>
<th>Standards criteria</th>
<th>FIP comparison (Y/N/)</th>
<th>Field Test audits compliance results (Y/N/NA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSC Chain of Custody Default Standard version 4.0</td>
<td>Company A</td>
<td>Company B</td>
</tr>
<tr>
<td>- Control of inputs</td>
<td>Y</td>
<td>N</td>
</tr>
<tr>
<td>- Traceability system</td>
<td>Y</td>
<td>N</td>
</tr>
<tr>
<td>- Mass-balance calculation</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>- Segregation system</td>
<td>Y</td>
<td>N</td>
</tr>
<tr>
<td>- Identification system</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>- Records control</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>- Staffs training for CoC system</td>
<td>N</td>
<td>N</td>
</tr>
</tbody>
</table>

Y = covered by FIP Traceability Protocol
N = not covered by FIP Traceability Protocol
# = partial covered by FIP Traceability Protocol
The last 4 columns are compliance status of four producers against each comparing criteria.
Y = compliant by producer
N = not compliant by producer
N/A = Not applicable
<table>
<thead>
<tr>
<th>Feature</th>
<th>Company A</th>
<th>Company B</th>
<th>Company C</th>
<th>Company D</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>- Control of packaging</strong></td>
<td>#</td>
<td>Y</td>
<td>N</td>
<td>Y</td>
</tr>
<tr>
<td><strong>- Reporting change</strong></td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td><strong>- Audit rules (including unannounced audit rule)</strong></td>
<td>N</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>- Sanction control</strong></td>
<td>N</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>- Risk analysis for audit frequency</strong></td>
<td>N</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>- Control of subcontractor</strong></td>
<td>N</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>- Control of non-conformance products</strong></td>
<td>N</td>
<td>N</td>
<td>Y</td>
<td>N</td>
</tr>
<tr>
<td><strong>- Request for information control (data releasing)</strong></td>
<td>N</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>- Logo and trademark rule</strong></td>
<td>N</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

**US Trace code (SIMP)**

<table>
<thead>
<tr>
<th>Feature</th>
<th>Company A</th>
<th>Company B</th>
<th>Company C</th>
<th>Company D</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>- Name of vessels (identification of vessels)</strong></td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td><strong>- Flag state of the vessels</strong></td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td><strong>- Evidence of authorization to fish (capture certificate of vessels)</strong></td>
<td>Y</td>
<td>N</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td><strong>- Unique vessel identifier (Vessels registration number)</strong></td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td><strong>- Type(s) of fishing gear uses (handlines and longlines)</strong></td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td><strong>- Species of fish (yellow fin tuna only)</strong></td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td><strong>- Product forms (whole fish only)</strong></td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td><strong>- Quantity and/or weight of product (in “Vessel preserving monitoring form”)</strong></td>
<td>N</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
</tbody>
</table>
3. Conclusions and Recommendations

1. The FIP trace code tool was created with strong industry support and engagement, and is being adapted and applied by several processors – it seems an appropriate and workable approach.

2. The criteria of segregation and identification requirements in the FIP traceability protocol seems effective enough to control the FIP processing within the boundary of processing plant.

3. However, the results demonstrate that internal systems for traceability within the plants are still largely absent.

4. Key “input” information (linked to licensing, CDS) is still not in place in the ports.

5. There is no traceability scheme to control FIP product from landing ports until the first receiving point at the processing plant.

6. Following above, the FIP number system as currently implemented does not yet fully meet the major commercial needs for which it is intended (i.e. reliable identification of “FIP” product, preparation for possible MSC CoC, and compliance with forthcoming US regulations).

7. It will be important to understand and communicate specific reforms needed at dock and in plants to overcome the “inputs” and “product segregation” gaps.

8. Results show a failed audit against the MSC COC criteria. However, MSC COC is premised on MSC certified primary product. The FIP leads to MSC certification and will address this, so
there is some disjoint in using MSC COC input control criteria at this point. Nevertheless, the comparison to MSC does highlight the weak points in the input control that needs to be addressed by the program.

9. The audit passed against the NOAA IUU legislation because it tracks against data elements and not process. However there is a need for digitization/data management and verification process to more fully meet NOAA requirements.

10. Several minor and major gaps (Annex III) are identified in FIP trace code and required focused intervention and coaching, led by VinaTuna and with support of FIP Participants (i.e. to positively influence processors to use the FIP trace code robustly and sufficient to pass subsequent audits). Please see the list of Recommendations under Annex III. It is important to note that from 2018 onward, factories that demonstrate MAJOR gaps in any 3rd party audit (ideally annually) will be given a strict timeline of 6 months in order to rectify issues, or risk being de-listed as a “recognized” FIP fish provider.

11. The program must also address the potential counterfeit use of the trace code, and document any current misuse, in cooperation with FIP Participants, through use of industry advisories and verification activities etc. to the extent possible.
ANNEX 1 – OVERVIEW OF FIP TRACECODE COMPONENTS

1. GENERAL
The Vietnam yellowfin tuna fishery improvement project (FIP) has been implemented since April, 2014 in three (3) provinces of Vietnam including Binh Dinh, Phu Yen & Khanh Hoa and focused on two (2) main fishing methods are longline & handline tuna fisheries. The FIP project is co-ordinated by WWF and Vietnam Tuna Association (Vinatuna).

The Vietnam yellowfin tuna FIP traceability system was set up and applied ad one of the important activities under the FIP project and was agreed by stakeholders as a priority in order to adequately classify Vietnam YFT in the markets.

2. PURPOSE
Vietnam YFT traceability system is set up in order to help processing plants and stakeholders to ensure that FIP products sold to markets are from FIP sources (i.e. Vietnamese longline or handline vessels).

The traceability system is set up and applied in order to be visible, to be classified and traced back from fishing, receiving, transportation, processing, preservation and packaging.

3. SCOPE OF APPLICATION
3.1 System is applied to supply chain of all formal FIP Partners (with MOUs) who are participating in “Vietnam YFT Tuna Fishery Improvement Project” and their associated supply chains.

3.2 System is applied to all steps (actors) in supply chain, processing steps as materials, semi-products, products that are in processing, in the markets or to final customers.

3.3 System is collected from inputs steps (fishing), receiving, transportation, processing and final step of supply chain.

4. MANAGEMENT OF INPUTS
1. Companies shall have the system to ensure the Product are from FIP source. Documented information of each batch of input raw material shall be detailed in the “Vessel information form”, includes the information of: date of harvest, date and quantity of input, vessel number, harvest area

2. Companies shall have the system to ensure that the copies of “vessels’ documents” are maintained at the facility for any input event of FIP product.

3. Companies shall have the system to ensure that supplied vessels are legal, registered and approved fishing licenses at the supplied time.
5. TRACEABILITY AND MASS-BALANCE CONTROL

1. Companies shall have the system to enable the traceability of FIP Products from the point of receiving to the output, including any interval steps.

2. A “unique trace-code” (so called UTC) shall be used for each batch of FIP product on the relevant production records to enable the tracing and tracking FIP product in any step of product flow, from receiving until output, and from semi or finished product back to product origin. (The component of the “Unique trace-code” shall follow the nomenclature outlined in Annex II)

3. Companies shall have the production records for any production of FIP product, detail the product weight at each production steps where weight is changed, to enable input-output reconciliation of any given period. Conversion ratio of each production step and of the entire process shall be suitable with the relevant product and be comparable with factory history of similar productions.

4. Companies shall maintain the documentation of self-calculating mass-balance between input and output of FIP product for at least every 6 months.

6. SEGREGATION OF FIP PRODUCTS

6.1 Companies shall have the segregation system to ensure that the FIP product is clearly separated to the non-FIP product at any time.

2. Physical segregation at batch level of FIP Product shall be implemented during production by the Organization to support the traceability of FIP products.

3. Mixing of FIP and non-FIP products are not allowed in any case

7. IDENTIFICATION:

1. Organization shall have the visual identification system on physical for FIP products at any step of handing between input and output

2. The identification system for records that relevant to FIP products shall be implemented, including the receiving, processing, storage and transaction document (N/A for transaction document when selling FIP product as “non-FIP”)
8. PACKAGING MATERIAL CONTROL:

8.1 The UTC shall be presented on “Business-to-Business” (B-to-B) packaging material of FIP product to support the traceability of the FIP product from the B-to-B packing case back to product original.

2. Companies shall have a system to ensure no FIP’s packaging material being used for containing non-FIP product.

3. The B-to-B packaging material of FIP product that contained more than one batches of FIP product shall be labeled with the details of all relevant UTC and with clear statement about content of each batch (percentage, weight of each batch)

9. MANAGEMENT OF OUTPUT

9.1 Organization shall have system to ensure that only products that are sourced from FIP fishery can be output to fill the order of FIP products.

9.2 Organization shall have the final check at dispatching the FIP product to prevent error outputting.

10. RECORDS MANTAINANCE:

10.1 All records relevant to FIP products which includes but not limited to: input, production, storage, packing, and sale records shall be maintained for at least 2 years.

10.2 The confirmation is required for any correction on FIP products’ records
ANNEX II - Structure of Unique Traceability Code (UTC)

UTC including 02 parts: A and B. Of which, A is general code, obligatory and B is internal code, in order to adapt buyer’s requirements or imported markets (Ex EU, US…)

A. GENERAL CODE

General code including 06 digits: FI-Company Code-Julian Date – Processed year – Name of fishing port – Name of fishing gear

Ex: FI-207-002-6-05-1

* **Number 1**: (02 first digits) –FI: For Vietnam YFT under FIP

* **Number 2**: Company code. Ex: Company A have company code to EU is DL 205, thus company code is 205

(FI and Company code can be printed on carton box of final products, others can be stamped)

* **Number 3**: Julian date (03 next digits)

Ex: Julian date (002)

* **Number 4**: Year (01 next digit), Ex: 6=2016 (only last digit)

* **Number 5**: Coding on the fishing ports (02 next digits)

Ex: Hon Ro fishing port = 07

Table of fishing ports coding

<table>
<thead>
<tr>
<th>Fishing ports</th>
<th>Addresses</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BINH DINH PROVINCE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tam Quan</td>
<td>Tam Quan Bac commune, Hoai Nhon district</td>
<td>01</td>
</tr>
<tr>
<td>Quy Nhon</td>
<td>Hai Cang ward, Quy Nhon city</td>
<td>02</td>
</tr>
<tr>
<td><strong>PHU YEN PROVINCE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tien Chau</td>
<td>Chi Thanh town, Tuy An district</td>
<td>03</td>
</tr>
<tr>
<td>Phuong 6</td>
<td>Ward 6, Tuy Hoa city</td>
<td>04</td>
</tr>
<tr>
<td>Dong Tac</td>
<td>Phu Lam ward, Tuy Hoa city</td>
<td>05</td>
</tr>
<tr>
<td>Phu Lac</td>
<td>Hoa Hiep Nam commune, Dong Hoa district</td>
<td>06</td>
</tr>
<tr>
<td><strong>KHANH HOA PROVINCE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hon Ro</td>
<td>Phuong Dong commune, Nha Trang city</td>
<td>07</td>
</tr>
</tbody>
</table>
*) Number 6: Coding on fishing gear (next 01 digit)  

<table>
<thead>
<tr>
<th>Fishing Gear</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handline</td>
<td>1</td>
</tr>
<tr>
<td>Longline</td>
<td>0</td>
</tr>
</tbody>
</table>

(Notes: This table can be updated, revised when the fishing gears changed, at this time, FIP ONLY applied to HL & LL)

B. INTERNAL CODE:
- Internal code “B” will be continued after General Code (A). Ex: FI-207-002-6-5-1 – “B”
- Internal code “B” will be developed by companies themselves and applied for FIP products

Internal code B must be ensured:
+ Must be unique and unchanged to each FIP batch
+ Must be used in unique on structure, traced back function and to be used to all FIP batch in company
+ On processing documents and on packages B-to-B, this internal code is set after general code A as “A-B”. Ex: FI-207-002-6-5-1 – “B”
+ In case of more than 01 FIP batch on a package, a multi-code “A-B” to all batch must be visible on packages and must be illustrated percentage of each batch.
+ “A-B” code can be printed as barcode, however need to be visible to reading by eyes.

- Based on Vietnam regulations or imported country regulations, internal code B can be long or short, more or less digits depend on each company as long as can be traced back & explained by company during auditing process.

NOTES:
- UTC code is maintained during processing progress, from fishing, receiving, transporting, freezing to packaging final products;
- UTC code must be printed on the top right corner of the package. The size, font will be unified and have guides later. In the pilot period, companies can develop / design themselves for the size, font, type for this UTC

ANNEX III – Detailed Findings from Factory Audits
1. Audit Requirement: MINOR problems
   o Requirement: 4.1 Organization shall have the system to ensure the Product are from FIP source. Documented information of each batch of input raw material shall be detailed in the “Vessel information form”, includes the information of: date of harvest, date and quantity of input, vessel number, harvest area
   o Finding: the factory does not have a system in place to enable the controlling of FIP raw material input to comply with this standard

2. Audit Requirement: MINOR problem
   o Requirement: 4.2 Organization shall have the system to ensure that the copies of “vessels’ documents” are maintained at the facility for any input event of FIP product.
   o Finding: the factory does not obtain the "catch diary" of each vessel as per requirement.

3. Audit Requirement: MAJOR problem
   o Requirement: 5.4 Organization shall maintain the documentation of self-calculating mass-balance between input and output of FIP product for at least every 6 months.
   o Finding: There was not in place the summary records for FIP production every 6 months as required by this standard

4. Audit Requirement: MAJOR problem:
   o Requirement: 6.1 Organization shall have the segregation system to ensure that the FIP product is clearly separated to the non-FIP product at any time.
   o Finding: Not in place

5. Audit Requirement: MAJOR problem
   o Requirement: 6.1.1 Physical segregation at batch level of FIP Product shall be implemented during production by the Organization to support the traceability of FIP products
   o Finding: No system in place to control segregation between two batches of FIP product

6. Audit Requirement: MAJOR problem
o Requirement: 7.1 Organization shall have the visual identification system on physical for FIP products at any step of handing between input and output
o Finding: No documented system to control identification of FIP product

7. Audit Requirement: MAJOR problem
o Requirement: 8.2 Organization shall have a system to ensure no FIP’s packaging material being used for containing non-FIP product.
 o Finding: No system to control packaging material

8. Audit Requirement: MAJOR problem
o Requirement: 9.1 Organization shall have system to ensure that only products that are sourced from FIP fishery can be output to fill the order of FIP products.
 o Finding: No system in place to control the FIP dispatching

9. Other key gaps as per audits:

 o Supplier info (vessels, agents) is available but not summarized by factory
 o Lack of a systematic data management system to hold relevant data (e.g. supplier info, packing list data)

 Recommendations:
 - Overall
 o Clarify how the above Minor and Major gaps/problems will be solved (new procedures? New coaching?) and ensure full understanding of factory managers and staff
 o Devise a timeline for solving these problems (i.e. ahead of next audit)
 - Input controls:
 o Define which input documents (of vessels) are required to be collected and maintained by FIP producers (including any GoV authority documents if relevant), and what information in each documents is required.
 o Require producer to maintain vessels’ yield data with summary calculation of total 6 monthly capture weight of each vessel in a transparent and verifiable format.
 o This (above) should be available during external audits or anytime when needs. The data will be used by external auditor or FIP control team to control error/fraud
The “On-board Raw material preserving monitoring form” are filled by fisherman with details of “Fish - what and when” - this practice shall be required by FIP traceability protocol, instead of that it being now only required by producers’ HACCP system.

- Segregation and Identification:
  - For the first primary processing plant of FIP yellowfin tuna, there shall be a system to control the identification of FIP products from landing point, during transporting until the first receiving point of processing plant, and should be added to Criteria 7 about identification requirement.
  - The segregation system between batches of FIP products shall be implemented beginning at the first receiving points onward. The identification requirement shall be implemented for all FIP products, and this requirement should be added to criteria 6 about segregation requirements.

- Recommended additional controls:
  - Additional criteria about training for key staff
  - Additional and ongoing training and coaching of processing plant staffs
  - Additional requirements to control the external handling activity if any (this should include any external activities of producers or of contractor)
  - Clarify requirements for audit frequency (i.e. 12 months)
  - Clarify rules of audit conclusion (compliant, non-compliant, etc.), and sanctions (i.e. producers suspension from FIP program and banning from using FIP trace code)

- Important to understand and communicate specific reforms needed at dock and in plants to overcome the “inputs” and “product segregation” gaps