

Pendarves-Golden Ocean Kiribati Purse Seine Tuna Fishery Improvement Project (FIP)

Memorandum of Understanding (MoU)

1. *The Parties*

FIP Participants

Pendarves : Buyer

Golden Ocean : Processing Company

Kiribati Island Fish Limited (KIFL) : Fishing Company

FIP Coordinator

Key Traceability : Consultant

Additional Parties

Additional parties may be added to the MoU on written agreement a) by all existing Parties, and b) the additional party signing the MoU and paying any associated fees if applicable.

2. *The Project*

The Parties agree that the Project is a long-term endeavour that aims to result in the Marine Stewardship Council (“MSC”) certification of the fishery, and which consists of implementing environmental improvements in fishery as outlined in the FIP Workplan plan that will be developed as part of the process outlined below. Once the workplan is completed, each party to the MoU agrees to play a role in implementing the FIP as provided in the workplan, which is hereby incorporated into this MOU and which may be amended from time to time. In carrying out their responsibilities, each Party may collaborate with consultants and fishery stakeholders as needed. Key Traceability will coordinate and manage the implementation of the FIP in collaboration with each party to the MoU. The Parties agree to attend in-person meetings as needed to ensure that the FIP is progressing in a timely and effective manner, and to ensure that deliverables are helping the fishery move towards the MSC standard.

The FIP for the fishery will be completed according to the following process:

Step One – Scoping

During the scoping phase, the fishery's performance is reviewed against the MSC standard and any other potential areas of concern in the fishery that have been identified. The scoping phase includes:

- A stakeholder mapping and engagement process: Use the stakeholder map to identify which parties make most sense to bring into the process. Who are the parties who will play an essential role in making improvements in the fishery (e.g. government representatives, industry (fishers, processors, exporters, etc.), environmental NGOs, the scientific community)?
- A scoping document/white paper: A synthesis of the fishery MSC pre-assessment and potential strategies the fishery could implement to increase its sustainability.

Step Two – Workplan Development

Based on the scoping document, a workplan is developed that lists the activities that will help the fishery meet the deficiencies identified in the MSC pre-assessment. Workplans include:

- A list of activities
- Responsible parties: Organizations/people responsible for completing the specified activity. Timeframes: An estimate of the timeframe needed to complete each activity (e.g., < 6 months, 6 – 12 months, 12 months+).
- Metrics and Key Performance Indicators: to enable the FIP participants to track progress, or lack thereof, over time and to communicate about the changes.
- An associated budget: In which costs and funding opportunities are identified as appropriate. There are generally two sets of costs: (1) process costs (e.g. costs associated with developing the scoping document, holding stakeholder meetings, developing the workplan), and (2) implementation costs (e.g. costs for the fishery to make changes).

Step Three – Implementation and Tracking Progress

The implementation phase includes:

- Implementing the workplan.
- Tracking and reporting on progress. Progress should be reported publicly every three to six months according to the objectives and timeline outlined in the workplan. Additional reporting may occur if significant milestones are met in the interim.
- Tracking of implementation is a work in progress. Our goal regarding tracking is to ensure FIPs adhere to the definition above, is consistent with the milestones laid out in the workplan, and the work is as transparent as possible. This will include a move to make pre-assessment public moving forward. Further we will aim to track progress so that we can credibly and publicly report:
 - The actions taken by the FIP to encourage improvements;
 - The impact of these actions, in terms of changes in fisheries policy, management or fishing practices;
 - The results on the water.

3. The Parties' Roles and Responsibilities.

- i. The FIP Coordinator shall:

- a) Develop FIP documentation following CASS guidelines;
 - b) Facilitate meetings;
 - c) Manage the implementation of the Workplan, the Project, and the FIP; and
 - d) Monitor and review FIP progress and how the fishery is advancing towards being able to meet the MSC standard. Key Traceability may choose to engage one or more consultants familiar with the MSC Certification Requirements to aid in the annual review of progress and deliverables.
- ii. The FIP participants shall:
- a) Within the timeframe specified in the Workplan, take a leadership role in organizing and implementing activities and roles assigned to “Industry” in the Workplan, and any activity assigned specifically to it should the Workplan be amended;
 - b) Cooperate in good faith with the other Parties’ efforts and activities under this MOU, including but not limited to providing such documents, information, and materials as they may reasonably request to further the purposes of this MOU;
 - c) Support engagement with the fishery stakeholders including the Fishery Authority of the flag and coastal states and RFMOs responsible for managing the fishery;
 - d) Only make claims about participating in the FIP and about fish originating from the FIP according to rules established by the FIP Steering Committee.
 - e) Provide financial support and pay the fees and expenses of the FIP Coordinator.
4. Agreed-Upon Principles.

The Parties agree to the following principles in carrying out their respective roles under this MOU: a FIP is defined as a multi-stakeholder effort to improve a fishery. FIPs are unique because they utilize the power of the private sector to incentivize positive changes in the fishery towards sustainability. FIP participants may vary depending on the nature of the fishery and the FIP, and may include stakeholders such as producers, NGOs, fishery managers, government, and members of the fishery’s supply chain. The ultimate goal of a FIP is to have the fishery performing at a level consistent with an unconditional pass of the MSC standard. Additionally, Key Traceability will encourage the fishery to become MSC certified once they are performing at a level consistent with the standard, but recognize that we will not always be able to control this outcome. Additionally, we recognize that for some fisheries performance at a level consistent with the MSC standard is a long-term goal.

Characteristics of a FIP must include:

- A FIP must draw upon market forces, which might include suppliers, retailers, food service, fishing industry etc., to motivate fishery improvements.
- An workplan with an associated budget (see description above and workplan template attached)
- Explicit willingness from FIP participants to make improvements (e.g., advocacy, implementation of workplan actions, etc.).
- A FIP steering committee will be established formed from FIP Participants and the FIP Coordinator to direct the FIP.




- Willingness from FIP participants to make the investments required to make improvements as outlined in the work plan and budget.
- A system for tracking progress (see above).

In accordance with the above MOU all parties are asked to sign below to show their agreement:

On behalf of the Founding Participants of the FIP:

Organisation	<u>Pendarves</u>	<u>Golden Ocean</u>	<u>Kiritimati Island Fish Limited</u>
Name	<hr/>		
Position	<hr/>		
Date	<hr/>		
Signature	<hr/>		

On behalf of the FIP Coordinator, Key Traceability:

Name	<u>Tom Evans</u>
Role	<u>Science Manager</u>
Date	<u>18/10/2019</u>
Signature	<u></u>

On behalf of Additional FIP Participants:

Organisation	<hr/>
Name	<hr/>
Position	<hr/>
Date	<hr/>
Signature	<hr/>

