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A close-up photograph of a cooked lobster, likely a spiny lobster, resting on a bed of crushed ice. Several large, vibrant green leaves are placed behind the lobster. The lobster's shell is a mix of green, brown, and orange. Its large claws are visible, and the meat inside one claw is a bright orange-red color. The background is slightly blurred, showing more ice and possibly other seafood.

RISKS OF SOURCING SEAFOOD IN HONG KONG SUPERMARKETS

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INTRODUCTION

Our oceans are at risk of collapse from overfishing and destructive fishing practices. As consumers, our choice of seafood has a direct impact on the sustainability of our oceans. Since the 1950s, the global demand for seafood has soared by 88 per cent, driving global production (comprising wild catch and aquaculture fisheries) from around 20 million tonnes in 1950 to over 167 million tonnes in 2014¹. Of the 2014 total, about 146 million tonnes was used for direct human consumption².

Seafood consumed in Hong Kong is imported from 170 and territories around the world³. Supermarkets are one of the key places for Hong Kong people to buy seafood. In an unpublished survey, ADM Capital Foundation (ADMCF), an impact driven foundation focused on making change in Asia, found that in 2017 over 51 per cent of Hong Kong people will buy seafood at supermarkets at least once a week⁴. As such supermarkets are one of the key players in the global supply chain for seafood from international fisheries. In Hong Kong, a city known as a seafood lover's paradise, local supermarkets have the potential to play a more proactive role in bringing sustainable seafood to consumers. In recent ADMCF research, nearly 70 per cent of respondents said they are concerned about the depletion of marine resources due to overfishing. Consumers deserve to be able to trust that seafood they purchase in Hong Kong supermarkets is from sustainable sources.

WWF-Hong Kong is the only environmental NGO in Hong Kong to assess seafood sustainability and engage with public and business to drive a sustainable seafood

movement. These are the reasons that WWF-Hong Kong is focusing on supermarkets in the city and encouraging them to formulate a holistic plan on seafood sustainability.

Scope

Supermarkets and brands

There are 27 chain supermarket brands in Hong Kong. These are owned by a total of nine groups or companies (Table 1). Together, these comprise over 60 per cent market share in Hong Kong's food retail sector⁵.

Table 1: Nine supermarket groups and their brands

Group name/ company	Supermarket brand
AEON Stores	AEON STYLE, AEON Supermarkets
A.S. Watson	PARKnSHOP Frozen Store, PARKnSHOP Supermarket, PARKnSHOP Superstore, International by PARKnSHOP, Taste, Fusion by PARKnSHOP, Gourmet, Great, SU-PA-DE-PA
CEC International Holdings Ltd.	759 Store, 759 Store Frozen Market and 759 Store Supermarket
City Super	City Super
CR Vanguard	CR Vanguard
Dah Chong Hong Holdings Limited	DCH Food Mart Deluxe and DCH Food Mart
Dairy Farm	Jasons Food & Living, Marketplace by Jasons, Oliver's the Delicatessen, ThreeSixty, Wellcome Supermarket, Wellcome Superstore
Moretide Investment Ltd.	Kai Bo Food Supermarket
YATA Limited	YATA Department Store, YATA supermarket

¹ <http://www.fao.org/3/a-i5555e.pdf>

² <http://www.fao.org/3/a-i5716t.pdf>

³ http://awsassets.wwf.hk.panda.org/downloads/wwf_seafood_guidebook.pdf

⁴ An unpublished research conducted by ADM Capital Foundation in 2017, "Promoting Sustainable Seafood consumption in Hong Kong" (Personal Communication with Ms. Bertha Lo from ADM Capital Foundation. It will be published in these couple months.

⁵ <http://www.usfoods-hongkong.net/res/mns/00491/HK1626%20-%20Retail%20Sector%20Report%202016.pdf>

Background



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In October 2016, WWF-Hong Kong announced the results of an investigation entitled *Seafood Supply Chain Risk in Hong Kong Supermarkets*⁶ to highlight how the nine major supermarket groups in the city are selling globally threatened species and seafood products associated with alleged human right abuse. The report developed a risk matrix which ranked each supermarket chain in terms of its association with seafood linked to serious environmental, social and legal risks. The study also discovered seafood containing traces of chemicals. For example, samples of basa fillets which contained nitrofurans – which may be carcinogenic and are banned in several parts of the world including the US and the EU.

The second research report published in December 2016 reported the transparency and accuracy of information presented on the packaging of seafood products sold by these nine groups⁷. All of them failed to provide basic information on their seafood product packaging, such as the species name, country of origin and production method (i.e. whether the seafood was wild caught or farmed). This makes it difficult for customers to choose sustainable seafood and might lead them to unintentionally eat a species that may soon become extinct. Further investigation (including DNA analyses) into selected seafood products sold in Hong Kong's two largest supermarket groups further revealed four cases of mis-labelling - possible violations

of the Trade Descriptions Ordinance of Hong Kong, and a case of overcharging.

These two studies clearly showed that supermarkets in Hong Kong need to adopt comprehensive sustainable seafood procurement policies to ensure the seafood they sell comes from sustainable sources and have minimum environmental, legal and social risk. Supermarkets must also improve their selling practices to ensure that seafood products are sufficiently and correctly labelled.

Based on the research, WWF-Hong Kong undertook a questionnaire with these nine supermarket groups between October 2016 and January 2017. In-depth dialogues were conducted with supermarket groups to understand their perspectives on sustainable seafood procurement.

To encourage supermarkets to implement a comprehensive sustainable seafood procurement policy, this document highlights areas that require more focus, and provides a snapshot of the status of these supermarkets as of the end of May 2017.

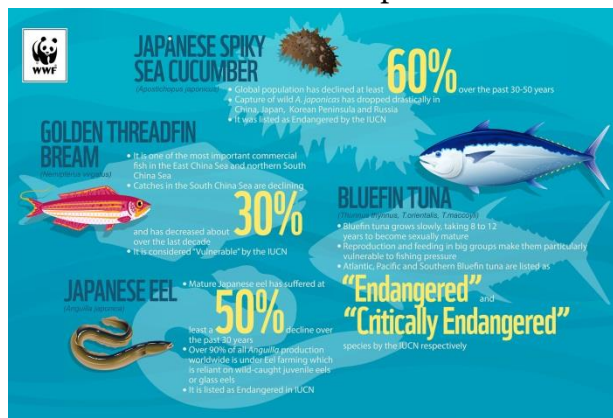
⁶http://awsassets.wwf.hk.panda.org/downloads/seafood_supply_chain_risk_in_hong_kong_supermarkets_5.pdf

⁷http://awsassets.wwf.hk.panda.org/downloads/appendix_dna_test_and_labelling_regulations_review_2.pdf

1. THE SIX KEY AREAS IN SUSTAINABLE SEAFOOD PROCUREMENT POLICY

Avoid selling threatened species

The IUCN Red List of Threatened Species provides information and analysis on the status, trends, and threats of more than 76,000 species of plants and animals, to inform and catalyze action on biodiversity conservation⁸. Species listed as “Critically Endangered”, “Endangered” and “Vulnerable” on the IUCN Red List are also collectively referred to as “Threatened” species⁹.



Supermarkets should ensure that their customers do not purchase threatened species accidentally. To lead in this category, supermarkets should stop the sale of “Threatened” species or adopt a plan to phase them out accordingly if they currently selling them, and adopt a policy not to procure any “Threatened” species.

Example: In 2014¹⁰ The Independent Grocers of Australia (IGA), which has over 1,400 stores in Australia, made commitments to request its suppliers not to source any species listed as “Near Threatened” and above on the

IUCN Red List of Threatened Species¹¹ by 2015¹².

Sustainable seafood target & promotion

Supermarkets should have in place a target to source sustainable seafood listed in the WWF Seafood Guide and eco-labels such as the Marine Stewardship Council (MSC) and Aquaculture Stewardship Council (ASC), to avoid supporting overfishing and destructive fishing practices, and to support sustainable fisheries.

Companies should adopt a clear target with a defined timeline to increase the percentage of sustainable seafood procured by following the WWF Seafood Guide and eco-labels such as the MSC and ASC. In addition, supermarkets should regularly promote sustainable seafood to make it more accessible and help consumers to make the right choice.

Example: AEON became Japan’s first retailer to partner with WWF in 2014. Since then, AEON in Japan has established a clear sustainable seafood target with a timeline. The company has committed to increase the proportion of ASC and MSC certified seafood that it sells from 3 per cent to 10 per cent by 2020¹³.

Elimination of alleged human rights abuse^{14,15}

Supermarkets have a responsibility to guarantee their businesses are not associated with human right violations. According to the UN Universal Declaration of Human Rights’ definitions of human rights, “all humans are born free and equal...have a right to life,

⁸ <http://www.iucnredlist.org/about>

⁹ <http://www.iucnredlist.org/about/overview>

¹⁰ <http://www.iga.com.au/sustainability/sustainability-policy/>

¹¹ <http://www.iga.com.au/sustainability/>

¹² <https://ozsheba.files.wordpress.com/2015/03/animalwelfare-supplychainpolicies150224.pdf>

¹³ <http://www.asc-aqua.org/news/latest-news/the-worlds-leading-sustainable-seafood-certification-program-is-exploring-new-ways-for-additional-protection-from-seafood-fraud-in-its-supply-chain-over-the-past-two-years-the-msc-has-been-piloting/>

¹⁴ <https://www.theguardian.com/global-development/2014/jul/30/supermarkets-thailand-prawn-slavery-seafood>

¹⁵ <https://www.ft.com/content/46ac33f8-9dcf-11e5-8ce1-f6219b685d74>

liberty and security of person... everyone has a right to leave any country...everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment”¹⁶. The concept of human right abuse is quite broadly defined. WWF published a document entitled *WWF Position on Social Issues in the Global Seafood Industry*¹⁷ in 2016 to address some social issues in the seafood industry and outline its position on human right abuse. These issues include:

1. Forced or compulsory labour
2. Lack of transparency and legality
3. Lack of fair remuneration
4. Child labour
5. Discrimination
6. Lack of health and safety
7. Assurance of fair treatment of seasonal, seafarer and migrant workers
8. Freedom of association and right to collective bargaining
9. Working hours
10. Management systems
11. Cultural norms and traditional lifestyle

Supermarkets have the power and the right to require suppliers to provide information on where seafood comes from, how it is produced, and how compliance with labour standards is monitored. Supermarkets should regularly monitor the potential for human right abuse along the supply chain in seafood products, proactively communicating with the source of the seafood products to improve the practice within a specific timeframe, and at best have the progress monitored by a third-party. Actions could be stepped up, for example, through suspending the sale of such products until progress is made to address the issue.

Example: Coles in Australia has an ethical sourcing policy¹⁸ which requires a third party ethical audit to verify working conditions,

including ensuring that employment is freely chosen, and also that child and illegal labour shall not be used in manufacturing and provision of goods and services¹⁹.

Proper labels with detailed information (scientific name, country of origin & production method)

Information about species, country of origin and production methods is crucial for consumers to check if the seafood they purchase is sustainable or not. The lack of such information, or the mislabeling of seafood products, can mislead consumers. Mislabeling not only hides harmful practices such as illegal fishing or poorly-regulated aquaculture practices²⁰ but can lead consumers to pay a higher price for a species of lower value. These practices may violate Cap. 362 Trade Descriptions Ordinance in Hong Kong which prohibits false trade descriptions and misleading omissions²¹.

Supermarkets should state these details on seafood products packaging or signage to inform consumers what they are buying. At the least, supermarkets should have a plan with a clear timeline to disclose this information.

Example: In 2016, ALDI supermarket in USA took the first step provide the scientific name, production method (wild caught or farmed seafood) and FAO catching area or country of origins of farmed seafood on its own brand seafood product labels to help customers make informed decisions²².

No harmful chemicals (including antibiotics)

Supermarkets should go beyond government regulations and proactively monitor and test

¹⁶http://www.ohchr.org/EN/UDHR/Documents/UDHR_Translations/eng.pdf

¹⁷https://d2ouvy59podg6k.cloudfront.net/downloads/wwf_public_ethical_labour_code_15_march_2016.pdf

¹⁸ <https://www.coles.com.au/corporate-responsibility/responsible-sourcing/ethics-in-practice/ethical-sourcing-policy>

¹⁹ <http://www.sbs.com.au/news/dateline/story/prawn-slaves>

²⁰http://usa.oceana.org/sites/default/files/global_fraud_report_final_low-res.pdf

²¹http://www.customs.gov.hk/filemanager/common/pdf/TDO_Case_Booklet_en.pdf

²² https://corporate.aldi.us/fileadmin/fm-dam/Corporate_Responsibility2/ALDI_US_Seafood_Buying_Policy_2016_update_FOR_WEBSITE_1.PDF

seafood products for potential chemical residue (including antibiotics). This is especially relevant to high-risk products which have previously tested positive for chemical residue by the Centre for Food Safety (CFS) under the Food and Environmental Hygiene Department²³.

Supermarkets should take prompt action on seafood products which have been associated with the excessive use of chemicals or the use of banned chemicals. Action including informing the CFS of positive test results, suspending the sale of those seafood products, communicating with stakeholders along the supply chain (e.g. farms or processors), or terminating their collaboration with related suppliers if progress is not made to improve the situation.

Example: In 2008²⁴, Whole Foods Market in USA sets up standards for farmed seafood and prohibits the use of antibiotics, added growth hormones, added preservatives like sulfites and phosphates, genetically-modified seafood, and land animal by-products in feed. Furthermore, Whole Foods Market requires third-party audits and traceability from farm to the stores to ensure its producers protect water quality, wildlife, and ecosystems during the whole production process²⁵.

Public announcement of sustainable seafood procurement policy

A responsible supermarket should embrace a comprehensive sustainable seafood procurement policy, report its progress regularly and make policy and progress publicly accessible. This allows consumers to monitor the progress and sustainability status of supermarkets and can support those which are making commitments and progress in this regards.

Example: In 2014, Migros in Switzerland committed by 2020 that its entire range of seafood is responsibly sourced, which means it will only sell seafood that either conforms to a sustainable label, e.g. MSC or ASC, or that is categorized as "Green - Recommended" or "Yellow - Think Twice" by WWF²⁶. Migros has been sharing its sustainable seafood procurement progress to the public since 2014, and in 2016 it met its stated seafood target, becoming the first supermarket in the country to ensure that all fish and seafood it sells is from sustainable sources²⁷.

²³http://www.cfs.gov.hk/english/aboutus/aboutus_vm/aboutus_vm.html

²⁴ <http://www.wholefoodsmarket.com/blog/whole-story/farming-seafood-tough-standards>

²⁵ <http://www.wholefoodsmarket.com/farm-raised-seafood>

²⁶ <https://report.migros.ch/2014/en/integrated-report/production-consumption/sustainable-procurement/>

²⁷ <https://report.migros.ch/2016/en/progress-report-2016/products/cultivation-raw-materials/>

2. SCORING METHODOLOGY

To evaluate the performance of the nine supermarket groups in Hong Kong, WWF-Hong Kong used information provided directly from each group (mainly through email communication and over the phone) and from publicly accessible materials, including corporate communications, media coverage, or published reports to analyze their performance.

Based on the performance indicators below, WWF-Hong Kong assigned scores from 0 to 10 in each criterion and placed an overall final average score of each supermarket group.

Table 2: Performance indicator to assign score to supermarket groups

Performance Indicator	Scoring Allocation
0	Nothing has been shared
1	Nothing has been done and refused to admit the issue
2	Took fragile action
3	Some actions taken, mainly because of government regulations
4	Followed government regulations and / or did extra monitoring or work (but no further details disclosed)
5	Asked suppliers to take the lead or the supermarket undertook half of the initiative
6	Undertook improvement and explored alternatives (but no timeline)
7	Took proactive action and worked with suppliers/ vendors
8	Set up targets and a timeline, but did not publicly disclose
9	Set up targets, timeline and worked with suppliers / vendors
10	Fully fulfilled the requirements of the initiative

3. NINE SUPERMARKET GROUPS' PERFORMANCES AND COMMITMENT PROGRESS

AEON Stores (AEON STYLE, AEON Supermarkets)



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Avoid selling threatened species (score 6 out of 10)

Based on the findings of threatened species survey by WWF⁶, AEON sold Japanese eel, bluefin tuna and golden threadfin bream in its outlets.

The company phased out golden threadfin bream from its regular item list and replaced it with sustainable alternatives. For processed golden threadfin bream products, such as imitation crab sticks, the company will check the ingredients with suppliers and take action if needed. The retailer will collect the tracing report of farmed Japanese eel from Taiwan and China to verify the species involved. For the Japanese eel from Japan and bluefin tuna, AEON will only sell it during the “Japan Festival” (a promotional campaign for Japanese products), but will not undertake any special promotion on the threatened species.

Sustainable seafood target and promotion (score 8 out of 10)

AEON has introduced a range of MSC and ASC certified sustainable seafood products, which are MSC scallops, MSC Arctic surf clams, MSC clams and ASC salmon. AEON has promoted sustainable seafood products in its Kornhill and Whampoa outlets since 2016.

The company is planning to sell the above-mentioned sustainable seafood in the longer term, and expand its suppliers for sustainable seafood. AEON is targeting to sell more sustainable seafood by mid-2017. AEON has set an internal target on sustainable seafood.

Elimination of alleged human rights abuse (score 4 out of 10)

After WWF released the results of “*Seafood Supply Chain Risk in Hong Kong Supermarkets*” in October 2016, AEON has been proactively discussing related issues with one of the alleged human right abuse-related suppliers.

Information on labelling (scientific name, country of origin & production method) (score 4 out of 10)

AEON stated that all of its seafood products are properly labelled with the origin on flyers and price tags. AEON was also honored with the Gold Award of ‘S1 Quality Food Traceability Scheme 2015’, indicating its outstanding performance in food traceability practices²⁸.

However, the company does not put the scientific name or production method on seafood product packaging.

No harmful chemicals (including antibiotics) (score 4 out of 10)

AEON has requested its suppliers to provide proper health certifications for reference and criteria for procurement. The company would request suppliers to undertake tests on “risky products”. However, the company shared very little information about its guideline or system to monitor chemicals used in seafood.

²⁸ <http://www.aeonstores.com.hk/new/detail?id=229&lang=en>

Public announcement of sustainable seafood procurement policy (score 4 out of 10)

As one of the listed supermarket groups in Hong Kong, AEON has made contributions to environmental sustainability through adoption of green management practices and initiative of various campaigns, including food donation and food waste recycling, but not sustainable seafood²⁹. The company has provided workshops on sustainable seafood to relevant staff only.

In 2014, AEON Japan announced a progressive commitment on seafood sustainability by increasing ASC and MSC certified seafood sales by ten percent by 2020³⁰. Unlike its headquarter operations in Japan, AEON Hong Kong has not developed a sustainable seafood procurement policy, though internal target on sustainable seafood sale has been set.

CEC International Holdings Ltd. (759 Store, 759 Store Frozen Market and 759 Store Supermarket)



© WWF-Hong Kong

²⁹ <http://www.aeonstores.com.hk/contribution?lang=en>

³⁰ <http://www.asc-aqua.org/news/latest-news/the-worlds-leading-sustainable-seafood-certification-program-is-exploring-new-ways-for-additional-protection-from-seafood-fraud-in-its-supply-chain-over-the-past-two-years-the-msc-has-been-piloting/>

Avoid selling threatened species (score 7 out of 10)

Golden threadfin bream and Japanese eel were found in its outlets through WWF-Hong Kong's survey⁶. The management team from 759 has been proactively working with its suppliers to replace golden threadfin bream with more sustainable seafood. Furthermore, the company is checking with its suppliers about the country of origin, scientific name and production method of "Japanese eel". If the product is verified as *Anguilla japonica*, which is listed as "Endangered" by the IUCN³¹, the company will work with suppliers to explore sustainable alternatives.

Sustainable seafood target and promotion (score 7 out of 10)

Notably, 759 was not observed to sell MSC and / or ASC certified sustainable seafood products during the survey done as part of the published report by WWF-Hong Kong⁶. But the company is reported to be willing to educate its suppliers and staff on sustainable seafood in Hong Kong.

At the same time, the company is collaborating with WWF-Hong Kong to assess its seafood sustainability, upon which a jointly agreed action plan and timeline can be formulated.

Elimination of human rights abuse (score 0 out of 10)

Specific and detailed measures on seafood and human rights have not been shared.

Information on labelling (scientific name, country of origin & production method) (score 9 out of 10)

The company is reported to have renewed its inventory management software, so that scientific name, country of origin and production method is listed on newly ordered seafood. The first batch of shrimp with amended labelling was launched in December 2016. 759 will update the information of labelling step by step, in order to help consumers to make wiser choice on sustainable seafood.

³¹ <http://www.iucnredlist.org/details/166184/0>

No harmful chemicals (including antibiotics)
(score 3 out of 10)

Every batch of 759 seafood products requires a health certificate from the issuing entities in the country of origin.

Depending on the risk of particular seafood products, the company will select random samples and send to third-party laboratories for testing. Generally, the company will do microbiological and *E.coli* tests on frozen seafood labelled “sashimi”. Seafood associated with recent food safety issues is also tested.

Public announcement of seafood policy (score 3 out of 10)

A comprehensive sustainable seafood procurement policy has not yet been set up by 759, but it has shared sustainable seafood information and the WWF-Hong Kong seafood guide internally among staff members.

City Super



© Jovy Chan / WWF-Hong Kong

Avoid selling threatened Species (score 6 out of 10)

Based on the results of threatened species survey previously conducted by WWF⁶, Japanese eel, Japanese spiky sea cucumber and golden threadfin bream were identified in City Super’s outlets.

In 2016, the company committed to source Japanese farmed sea cucumber or other species of sea cucumber which are not “Threatened”. The company is also looking for appropriate alternatives for Japanese eel. In the meantime, City Super does not promote Japanese eel products and limits the quantity that is sold. Follow-up steps on golden threadfin bream have not been discussed by the company.

Sustainable seafood target and promotion
(score 6 out of 10)

City Super will introduce more MSC and ASC certified products, and possibly other eco-labels, each year. Notably, the company is stocking many certified seafood products from the previous WWF survey⁶, but it lacks a visible or robust target to increase the proportion of sustainable seafood and does not have a plan to promote sustainable seafood.

Elimination of human rights abuse (score 6 out of 10)

City Super reported its concern of the alleged human right abuse in the seafood industry and stopped purchasing products linked to such potential as of the end of 2016. The company is currently looking for replacements for these products.

Information on labelling (scientific name, country of origin & production method) (score 5 out of 10)

City Super stated all its seafood price cards include country of origin information and it is currently undertaking a study on whether it should add scientific names and production methods to improve transparency. The company assumes it will take 1-2 years to collect the required information from suppliers.

No harmful chemicals (including antibiotics)
(score 3 out of 10)

City Super follows Hong Kong’s legal requirement to monitor the chemicals in seafood. Food safety is one of the crucial criteria of “very best food”, but the company did not share details about its guideline or system to monitor chemicals used in seafood.

Public announcement of sustainable seafood procurement policy (score 3 out of 10)

The company does not provide customers with sufficient seafood sustainability information in stores, press releases or online to help them make informed decisions, but it has provided workshops on sustainable seafood to relevant staff. City Super carries several MSC and ASC certified seafood products in its outlets, but it has not made a public announcement regarding how it will embrace a comprehensive sustainable seafood procurement policy.

Dah Chong Hong Holdings Limited (DCH) - (DCH Food Mart Deluxe and DCH Food Mart)



© WWF-Hong Kong

Avoid selling threatened species (score 8 out of 10)

Golden threadfin bream and Japanese eel were found in its outlets during WWF's survey⁶. DCH reported to not further procure golden threadfin bream and Japanese eel from its supply chain since early 2017 and has requested its suppliers to replace the golden threadfin bream and Japanese eel with alternative products. If the suppliers do not comply, DCH will stop selling these items after

remaining stocks are sold out. However, the latest status of whether these two "Threatened" species are still on sale is unknown.

Sustainable seafood target and promotion (score 5 out of 10)

DCH stated its Food Trading Department works with WWF-Hong Kong to supply a range of MSC and ASC certified sustainable seafood products to the hotel, catering and supermarket sectors (including DCH itself).

While the supermarket sells MSC certified scallops in all outlets and MSC surf clams in selected stores, it has not made a time-bound plan to promote and introduce more sustainable seafood. DCH replied to WWF and said that the company was planning to launch a dedicated sustainable seafood area in upcoming new stores in 2017.

Elimination of alleged human rights abuse (score 6 out of 10)

The company has said that if it identifies any of its seafood products associated with slavery issues, it will immediately stop sales.

Information on labelling (scientific name, country of origin & production method) (score 4 out of 10)

Since November 2016, DCH's has placed country of origin on the price label of all products going through its processing centre.

Some of DCH's seafood products have the scientific name stated on the package, such as pangasius fish fillet (*Pangasius hypophthalmus*), but the company does not have a plan or timeline to add all scientific names and production methods on its labelling.

No harmful chemicals (including antibiotics) (score 4 out of 10)

DCH's suppliers are required to provide health certificates for its Quality Assurance department and, depending upon risk level and country of origin, DCH may require different types of test reports from suppliers, covering heavy metal, veterinary drug residues and pesticides.

DCH has ISO 22000 certification, a global recognition of its food safety management system³². Based on the requirements of ISO 22000:2005, DCH needs to demonstrate its ability to control food safety hazards in order to ensure that food is safe. The company will do heavy metal tests on seafood samples bimonthly, however, it did not mention the details of how its Quality Assurance Department will monitor or test other chemicals.

Public announcement of sustainable seafood procurement policy (score 2 out of 10)

DCH does not currently have a comprehensive sustainable seafood procurement policy, however, its Food Trade Department is working on one with WWF.

Dairy Farm (Jasons Food & Living, Marketplace by Jasons, Oliver's the Delicatessen, ThreeSixty, Wellcome Supermarket, Wellcome Superstore)



© WWF-Hong Kong

Avoid selling threatened species (score 6 out of 10)

According to a threatened species survey carried out by WWF⁶, Dairy Farm sold bluefin tuna (*Thunnus* species), golden threadfin bream (*Nemipterus virgatus*), squaretail coral grouper (*Plectropomus areolatus*) and Japanese eel (*Anguilla japonica*) in its outlets.

The sale of squaretail coral grouper, which is listed as “Vulnerable” by the IUCN³³, was reported to have been halted since December 2016. The seafood section of Dairy Farm supermarkets has stopped selling bluefin tuna after November 2016. For sushi, however the company is in discussion with the consignee to explore alternatives in the medium term. As a first step, the company committed to have no promotion on bluefin tuna in all shops. Dairy Farm, however, has not made a commitment regarding the sale of Japanese eel, golden threadfin bream and related products in its outlets.

Sustainable seafood target and promotion (score 6 out of 10)

The company reported that they have introduced a range of MSC and ASC certified seafood products since 2013. Dairy Farm sold sustainable salmon steak and salmon fillet in some stores to test the acceptance in the market. Additional promotion on sustainable seafood was launched in May 2017 in Oliver's. The company is taking steps to gradually introduce more sustainable seafood, but it has not made a time-bound commitment to source more sustainable seafood.

Elimination of alleged human rights abuse (score 7 out of 10)

Dairy Farm requests its suppliers to provide supporting documents to prove that products meet the standards and requirements of local regulations, and do not involve any labour exploitation, slavery or human trafficking. Further, Dairy Farm is strengthening its code of conduct requirements to ensure all suppliers comply with local and international regulations.

³² <https://www.iso.org/iso-22000-food-safety-management.html>

³³ <http://www.iucnredlist.org/details/64411/0>

Information of labelling (scientific name, country of origin & production method) (score 4 out of 10)

Dairy Farm's seafood product labels are prepared by suppliers in accordance with Food and Drugs (Composition and Labelling) Regulations (Cap. 132W)³⁴ and related requirements. Country of origin is reported to have been listed on all product packaging. The company also requires suppliers to provide documents as proof to ensure accurate information provided on the label, which is also in compliance with the Trade Description Ordinance.

The company does not always put scientific name or production method on seafood product packaging.

No harmful chemicals (including antibiotics) (score 3 out of 10)

Dairy Farm stated to have regular test for the most commonly-found contaminants such as malachite green and heavy metal, however, the frequency of the tests is not disclosed.

In fact, malachite green has been included in the Harmful Substances in Food Regulations since 2005, prohibiting its presence in all food sold in Hong Kong³⁵. A number of other heavy metals have been regulated in Hong Kong with certain limits in food since 1997³⁶. In this area, Dairy Farm does not seem to go beyond government regulations.

Public announcement of sustainable seafood procurement policy (score 2 out of 10)

Dairy Farm does not have a comprehensive sustainable seafood procurement policy and it has not publicly announced its plan to gradually increase the variety of sustainable seafood it stocks.

YATA Limited (YATA Department Store, YATA supermarket)



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Avoid selling threatened Species (score 3 out of 10)

Based on the findings of the "Threatened" species survey⁶, bluefin tuna, golden threadfin bream and Japanese eel were found in YATA supermarkets.

The company has done some follow-up, but has kept all action private.

Sustainable seafood target and promotion (score 7 out of 10)

YATA is currently selling a range of MSC certified shrimp and mussels, and ASC certified pangasius fillets and tiger prawn meat.

YATA always collaborates with suppliers to promote MSC and/or ASC certified seafood products. Since 2015, YATA has run an annual promotional campaign to promote sustainable seafood³⁷. In December 2016, YATA launched a large-scale promotion of MSC sustainable seafood in different outlets.

Elimination of alleged human rights abuse (score 4 out of 10)

YATA has undertaken follow-up action on this issue. Due to confidentiality, details cannot be disclosed.

³⁴ http://www.cfs.gov.hk/english/faq/faq_03.html

³⁵ http://www.cfs.gov.hk/english/programme/programme_rafs/programme_rafs_fc_o2_o6.html

³⁶ <https://www.elegislation.gov.hk/hk/cap132V!en-sc@1997-06-30Too:00:00/s3?clpid=33857>

³⁷ <http://www.asc-aqua.org/news/latest-news/ikea-today-announces-that-seafood-sold-and-served-in-its-stores-comes-from-sustainable-and-responsible-sources-the-ikea-commitment-to-asc-and-msc-certified-seafood-marks-the-next-step-towards-a-wider/>

Information on labelling (scientific name, country of origin & production method) (score 4 out of 10)

To comply with Food and Drugs (Composition and Labelling) Regulations (Cap. 132W), the country of origin is placed on all YATA seafood products.

No harmful chemicals (including antibiotics) (score 4 out of 10)

YATA follows the government regulations and does extra monitoring, but details could not be shared publicly.

Public announcement of sustainable seafood procurement policy (score 1 out of 10)

YATA does not have a comprehensive sustainable seafood procurement policy, even though it sells a range of MSC and ASC certified sustainable seafood products in its outlets. It does, however, place display boards to convey sustainable seafood messages during promotional periods.

The company does not display a commitment to source or increase its seafood from certified sustainable sources and it does not want to disclose to any party the dialogues it had with WWF-Hong Kong on sustainable seafood issue.

A.S. Watson (PARKnSHOP Frozen Store, PARKnSHOP Supermarket, PARKnSHOP Superstore, International by PARKnSHOP, Taste, Fusion by PARKnSHOP, Gourmet, Great, SU-PA-DE-PA)



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Avoid selling threatened species (score 3 out of 10)

According to the threatened species survey in conducted by WWF⁶, A.S. Watson sold golden threadfin bream, and Japanese eel in its outlets.

A.S. Watson supports and follows all the requirement of CITES³⁸ under the Protection of Endangered Species of Animals and Plants Ordinance (the Ordinance), Cap. 586. The company is committed not to sell any endangered species listed on CITES Appendices and any shark's fin products. However, the company reported that it does not plan to remove the two identified threatened species from its stores.

Sustainable seafood target and promotion (score 4 out of 10)

A.S. Watson is continuously reviewing market demand and assessing the price of sustainable seafood. According to its Corporate Social Responsibility Report in 2015³⁹, the company has incorporated responsible and ethical values, legal compliance, respect for people and individuals, involvement in communities and protection of the environment into the business. From WWF's market survey²³, the company sells some sustainable seafood in selected stores, including ASC certified basa fillets and MSC certified fish fingers.

The company has not made a quantitative time-bound commitment to source more sustainable seafood.

Elimination of alleged human rights abuse (score 5 out of 10)

The company is a member of the Business Social Compliance Initiative⁴⁰ (BSCI) and it is committed to ensuring its suppliers do not engage in slavery. It is in the process of implementing BSCI's requirements on this issue. It has also conducted a briefing session for buyers on the importance of this issue and partnered with non-profit organization the

³⁸ <https://cites.org/eng/app/index.php>

³⁹ <http://www.aswatson.com/wp-content/uploads/2015/06/ASWCSR20151.pdf>

⁴⁰ <http://www.bsci-intl.org/content/bsci-code-conduct>

Mekong Club⁴¹, as association that works with the private sector to eradicate slavery from their business. Specific and detailed measures on seafood slavery have not been shared.

Information on labelling (scientific name, country of origin & production method) (score 7 out of 10)

Scientific name and country of origin are listed on most of A.S. Watson's seafood product labels, but the production method is not included.

No harmful chemicals (including antibiotics) (score 0 out of 10)

A.S. Watson has not provided its food safety policy or details on internal chemical tests.

Public announcement of seafood policy (score 2 out of 10)

Though A.S. Watson does sell a range of MSC and ASC certified sustainable seafood products in its outlets, the company does not have a comprehensive sustainable seafood procurement policy.

CR Vanguard



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Avoid selling threatened Species (score 1 out of 10)

The findings of WWF's threatened species survey⁶ indicate that CR Vanguard sold Japanese eel and golden threadfin bream in its outlets, which are regarded as "Threatened" species.

CR Vanguard has not addressed this issue and it has no plan to phase out or decrease their availability in its outlets.

Sustainable seafood target and promotion (score 3 out of 10)

CR Vanguard does not have a sustainable seafood target, however, the company said that it is planning to import Tesco frozen seafood to increase the percentage of sustainable seafood items (MSC or ASC certified) in 2017.

Elimination of alleged human rights abuse (score 0 out of 10)

CR Vanguard has not shared its policy or any actions on its products which may be associated with alleged human right abuse.

Information on labelling (scientific name, country of origin & production method) (score 7 out of 10)

CR Vanguard stated that all seafood products will have country of origin information by quarter two in 2017 and species name by quarter four in 2017. This is dependent on whether suppliers can provide the information. The company has said it will take more time to collect information such as whether seafood products are "farmed" or "wild caught" and to display this information on products' packaging or price tags. The company has said it needs more time in order to avoid misleading customers.

No harmful chemicals (including antibiotics) (score 3 out of 10)

To minimize food safety risks, CR Vanguard will ask suppliers to provide a health certificate and test reports for seafood products. But the company does not disclose

⁴¹ <http://themekongclub.org/>

how often it will ask the suppliers to provide such details.

Public announcement of sustainable seafood procurement policy (score 2 out of 10)

CR Vanguard does not have comprehensive sustainable seafood procurement policy and even though it has plans to source additional sustainable seafood, no information on this plan has been made public.

Moretide Investment Ltd. (Kai Bo)



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Avoid selling threatened species (score 1 out of 10)

According to the threatened species survey⁶,

Kai Bo sells Japanese eel in its outlets. The company has no plans to remove the species from its stores.

Sustainable seafood target and promotion (score 2 out of 10)

Kai Bo does not carry sustainable seafood in its outlets. The company has shared its viewpoint with WWF-Hong Kong, but due to confidentiality, details cannot be disclosed.

Elimination of alleged human rights abuse (score 1 out of 10)

The company has shared its viewpoint with WWF-Hong Kong, but due to confidentiality, details cannot be disclosed.

Information on labelling (scientific name, country of origin & production method) (score 2 out of 10)

Notably, most seafood products in Kai Bo have the common name and country of origin on the packaging. At the frozen / chilled seafood counter, the common name and country of origin is sometimes omitted. None of its products has listed the production method on the packaging and / or price tags.

No harmful chemicals (including antibiotics) (score 2 out of 10)

The company has shared its monitoring procedures with WWF-Hong Kong, but due to confidentiality, details cannot be disclosed.

Public announcement of sustainable seafood procurement policy (score 1 out of 10)

The company has shared its viewpoint with WWF-Hong Kong but, due to confidentiality, details cannot be disclosed.

4. NINE SUPERMARKET GROUPS' SCORECARD ON SIX KEY AREAS IN SUSTAINABLE SEAFOOD PROCUREMENT POLICY

Nine major Hong Kong supermarket groups have been assessed on their progress up to end of May 2017 on having sustainable seafood policies and which commitments are transparent. Performances were scored from 0 to 10 and evaluated consistently across nine supermarket groups, which use the performance indicator (table 2). Each supermarket group received an overall score (weighed average of the six key areas in sustainable seafood procurement policy). Quantitatively, the scores can be represented as follows:

0-3.67 bad (red)
3.68- 7.33 medium (yellow)
7.34-10 good (green)

Table 3: Overall scores of nine supermarket companies

	Avoid selling threatened Species	Sustainable seafood target & promotion	Elimination of alleged human rights abuse	Information of labelling	No harmful chemicals (including antibiotics)	Public announcement of sustainable seafood procurement policy	Overall
AEON	6	8	4	4	4	4	5.00
759	7	7	0	9	3	3	4.83
City Super	6	6	6	5	3	3	4.83
DCH	8	5	6	4	4	2	4.83
Dairy Farm	6	6	7	4	3	2	4.67
YATA	3	7	4	4	4	1	3.83
A.S. Watson	3	4	5	7	0	2	3.50
CR Vanguard	1	3	0	7	3	2	2.67
Kai Bo	1	2	1	2	3	1	1.67

Current status of each supermarket group

WWF has already begun using the results of *Seafood Supply Chain Risk in Hong Kong Supermarkets*⁶ to enter into dialogue with Hong Kong's major supermarket chains, asking them to develop a comprehensive action plan to promptly address these issues and put in place sustainable seafood procurement policies since October 2016. Through the long process of conversation with nine supermarket groups, followings are the current status of the supermarket's actions:

One supermarket group has started to develop and implement policies in some areas, and decided to work with WWF to continuously strengthen actions to source sustainable seafood
Six supermarket groups have started dialogues and discussions on sourcing and planning to improve some areas of seafood procurement policy
Two supermarkets groups are yet to show interest to continue dialogues and discussions with WWF to improve their current seafood sourcing status

Each supermarket group is encouraged to meet with WWF for a detailed review of its results and WWF's recommendations to improve its seafood procurement policy.

5. RECOMMENDATIONS

Supermarket chains in Japan, the US, Germany and South Africa have embraced sustainability, by adopting action plans to rid their stores of unsustainable seafood and thus build trust with their customers. Hong Kong supermarkets could follow these overseas examples to adopt a comprehensive sustainable seafood procurement policy practices to ensure that the world's oceans remain healthy and able to provide a continuous supply of seafood into the future. These steps can also minimize the environmental, legal and social risks for supermarkets. WWF-Hong Kong recommends that ALL supermarkets:

Set up a comprehensive sustainable seafood procurement policy

It includes avoid selling threatened species, the increasing procurement of sustainable seafood, the elimination of alleged human rights issues in supply chains, regular chemical testing and sufficient and accurate product information. Such policies will build up a positive corporate image and steer supermarkets away of our oceans.

Hong Kong supermarkets should publicly announce their sustainable seafood policies to make their commitments transparent and eliminate any ambiguity in the policies. A public announcement will also demonstrate how a responsible supermarket can take the initiative and contribute to the conservation of natural resources for future generations.

With these positive actions from supermarkets, sustainable seafood will become more accessible to consumers across Hong Kong.

RISKS OF SOURCING SEAFOOD IN HONG KONG SUPERMARKETS

90%

90% of assessed commercial fish stocks are already fully fished or overfished

2

Hong Kong is now the second largest per capita consumer of seafood in Asia



170+

Hong Kong consumes seafood coming from more than 170 countries and territories around the globe

>90%

Over 90% of respondents were willing to avoid an unsustainable seafood item if they know its status



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WWF-Hong Kong, 15/F Manhattan Centre, 8 Kwai Cheong Road, Kwai Chung N.T. Hong Kong
香港新界葵涌葵昌路8號萬泰中心15樓世界自然基金會香港分會
Tel 電話: (852) 2526 1011 Fax 傳真: (852) 2845 2764 Email 電郵: wwf@wwf.org.hk
Registered Name 註冊名稱: World Wide Fund For Nature Hong Kong 世界自然 (香港) 基金會
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