



20 December 2021

Report on the Results of a Questionnaire Survey of Japanese Fishing Companies

On January 20, Human Rights Now, a Tokyo-based international human rights NGO, released "Human Rights Abuses in the Global Seafood Industry and Its Links to Japan" (HRN Fishing Report)¹ following the case of human rights violations against Indonesian crew members on a Chinese fishing vessel (hereinafter referred to as "the case"). In light of this, from January to May in 2021, we conducted a survey² of 11 Japanese fishing-related companies³ (Maruha Nichiro Corporation; Nippon Suisan Kaisha, Ltd.; AEON Co., Ltd.; Seven & i Holdings Co., Ltd.; Mitsubishi Corporation; Mitsui & Co., Ltd.; ITOCHU Corporation; Sumitomo Corporation; Marubeni Corporation; Kyokuyo Co., Ltd.; YOKOREI Co., Ltd.) on their human rights policies and the status of implementation of the policies in the fishing industry, including supply chains.

Of the above 11 companies, we received responses from 9 companies, all except Kyokuyo Co., Ltd. and YOKOREI Co., Ltd. These two companies have not responded to our survey to date, despite multiple requests for their response. Considering that Japan is one of the world's largest importers of marine products, the two companies with high-impact influence in the fishing industry have an extremely important role to play in preventing serious human rights violations such as forced labor and slave labor. It is truly regrettable that they did not respond regarding their efforts.

Based on the UN Guiding Principles on Business and Human Rights (hereinafter referred to as the "UN Guiding Principles") endorsed by the United Nations in 2011, there is a strong need for fishing-related companies to fundamentally review their human rights initiatives, formulate policies to address human rights violations, including those in their supply chains, and effectively implement these policies.

Through an analysis of the responses to the survey, it can be seen that the companies are aware of the need to address human rights issues, and some progress has been made in specific systems and initiatives for the companies to take responsibility for respecting human rights as required by the UN Guiding Principles. On the other hand, there are still many inadequate points, and it is clear that improvements are greatly needed.

For a summary of each company's responses, please refer to the attached "Summary of Responses".

¹ <https://hrn.or.jp/activity/19253/>

² The survey questions are available here both in Japanese and in English: <https://hrn.or.jp/wpHN/wp-content/uploads/2021/01/47feb4e6017579138c3fdf3aba5f499e.pdf>

³ The 11 companies were selected from the perspective of the coverage of their value chains and their influence in the fishing industry.

- Six companies (Maruha Nichiro Corporation; Nippon Suisan Kaisha, Ltd.; Mitsui & Co., Ltd.; Marubeni Corporation; Kyokuyo Co., Ltd.; YOKOREI Co., Ltd.) are Japanese companies listed in the top 30 most influential companies with respect to the fishing industry by The World Benchmarking Alliance: <https://seafood.worldbenchmarkingalliance.org/rankings/>.
- AEON Co., Ltd. and Seven & i Holdings Co., Ltd. were the top two companies in sales in the supermarket industry in 2020.
- ITOCHU Corporation, Mitsubishi Corporation, and Sumitomo Corporation were the top three companies, excluding the trading companies mentioned above, in sales in the trading industry in 2020.

1. Laws and Regulations on Human Rights Guarantees in the Fishing Industry and Rules on Business and Human Rights

First, as a prerequisite to examining the responses from the companies, we will outline the laws and regulations regarding human rights guarantees in the fishing industry, as well as the rules regarding business and human rights.⁴

Human rights violations in the fishing industry are often related to illegal, unreported and unregulated fishing (IUU fishing). In other words, the environment in which IUU fishing takes place is likely to create a slave labor environment for the crew, as many reports have already pointed out.⁵

(1) Laws and Regulations on Human Rights Guarantees in the Fishing Industry

To crack down on IUU fishing, two of the world's three largest seafood markets, the EU and the US, have restrictions on imports of seafood from IUU fishing.

In Japan, the “Act on Ensuring the Proper Domestic Distribution and Importation of Specified Aquatic Animals and Plants” (hereinafter referred to as the “Domestic Trade of Specific Marine Animals and Plants Act”)⁶ was promulgated on 11 December 2020. The enforcement date of this law is to be set by a cabinet order within a period not exceeding two years from the date of promulgation, and it is scheduled to come into effect by December 2022. The Domestic Trade of Specific Marine Animals and Plants Act will establish regulations to prevent the distribution of illegal catches in Japan and regulations on imports to prevent the inflow of illegal catches from IUU fishing. As for regulations on domestic distribution, persons, such as notified harvesters, who engage in the business of harvesting and transferring specified Class I aquatic animals and plants (fish species that are at great risk of being harvested illegally and excessively in Japan) must notify the administrative agency that the harvesting business is being conducted legally.^{7,8} The Domestic Trade of Specific Marine Animals and Plants Act is considered to contribute to preventing the distribution of illegal catches by IUU fishing and to ensuring traceability in supply chains, but it does not explicitly state the guarantee of human rights in supply chains as a specific objective.

Therefore, it is an urgent task for Japan to promote efforts to prevent IUU fishing and the human rights violations that occur with it, to ensure corporate responsibility, and to establish a legal mechanism to realize full traceability for the purpose of guaranteeing human rights in the supply chains of the fishing industry.

In addition to the above, the Japanese government needs to ratify and implement international conventions in order to effectively address the international IUU fishing issue and related human rights violations in the fishing industry. Specifically the government of Japan needs to ratify the following conventions related to IUU fishing and working conditions on fishing vessels: UNCLOS, RFMO, the Food and Agriculture Organization's Agreement on Port State Measures (PSMA), the United Nations Convention

⁴ Refer to our previous report below on the details of relevant EU and US laws and regulations and international treaties.
https://hrm.or.jp/wpHN/wp-content/uploads/2021/11/seafood_hr_brief_211108_eng-FNL.pdf.

⁵ WWF, “IUU 漁業について” [Regarding IUU Fishing], 21 September 2022, <https://www.wwf.or.jp/activities/basicinfo/282.html>.

⁶ Ministry of Agriculture, Forestry and Fisheries “特定水産動植物等の国内流通の適正化等に関する法律の概要” [Outline of the Act on Ensuring the Proper Domestic Distribution and Importation of Specified Aquatic Animals and Plants], <https://www.jfa.maff.go.jp/j/kakou/attach/pdf/suisannryuutuutekiseika-3.pdf>.

⁷ In addition, the catch number, including the number notified at the time of administration, is to be reported on transfer. Notified harvesters, primary buyers, distributors, processors, etc. (persons involved with businesses handling specified Class I marine animals and plants) are required to communicate the names, catch number, and other information among businesses.

⁸ Business operators handling Specified Class I aquatic animals and plants, etc., are prohibited from exporting Specified Class I aquatic animals and plants, etc., unless they are accompanied by a certificate issued by the government indicating that they were legally harvested. Regarding import regulations, for Specified Class II aquatic animals and plants (including those at high risk of IUU fishing internationally), a certificate issued by a foreign government agency certifying that the fish has been legally caught must be attached to the import.

against Transnational Organized Crime (UNTOC), and the International Labor Organization's (ILO) 2007 Work in Fishing Convention.

(2) Development of the Business and Human Rights Debate

In 2011, the Guiding Principles on Business and Human Rights ("the UN Guiding Principles") were endorsed by the UN Human Rights Council, under which states and corporations, respectively, have duties to protect and respect human rights and to achieve effective remedies for human rights violations. Based on the UN Guiding Principles, Japan released its "National Action Plan on Business and Human Rights (2020-2025)" (NAP)⁹ on 16 October 2020, which aims to ensure that, in addition to states having obligations to protect human rights, businesses are also to understand and identify risks of human rights violations related to their business activities, and to prevent, mitigate, and remedy such risks. The goal is to implement effective measures to ensure that companies take action.

2. Outline of the case and understanding of human rights issues at each fishing-related company

(1) Fishing vessel Longxing 629 Case

As noted in the HRN Fishing Report cited above, in May 2020, a case of human rights violations was revealed involving forced labor, slave labor, and wage issues for Indonesian crew members on the fishing vessel Longxing 629, operated by the Chinese company Dalian Ocean Fishing Co., Ltd. In response to these serious human rights violations, on May 28 of the same year, the Customs and Border Protection under the US Department of Homeland Security took measures to ban the import of tuna and other marine products from the fishing fleet operated by the company.¹⁰

(2) Responses by Japanese Companies

An investigation conducted by Environmental Justice Foundation found that seven Chinese fishing vessels, which were found to have committed human rights violations, may have transshipped cargo 11 times at sea with nine refrigerated cargo vessels, known as reefer vessels, which were noted to have returned to port in Japan. Thus, human rights issues in fishing supply chains are not unrelated to Japanese companies.¹¹

Seven of the nine companies (Maruha Nichiro Corporation; Nippon Suisan Kaisha, Ltd.; AEON Co., Ltd.; Mitsubishi Corporation; MITSUI & CO., LTD.; ITOCHU Corporation; SUMITOMO CORPORATION) had knowledge of the above human rights issues in the fishing industry, but they were not aware of this case itself. Seven & i Holdings Co., Ltd. responded that it was gathering information about human rights violations irrespective of the industry, but the extent to which it was aware of human rights issues in the fishing industry, such as the case in question, was not clear.

This case is just one example of human rights abuses prevalent in the fishing industry. In order to prevent the recurrence of such serious human rights violations, each company in the fishing industry should identify the risks of human rights violations in its own group and supply chains, promptly engage in dialog with stakeholders, and establish remedy procedures. Specifically, the following actions are required:

⁹ "National Action Plan on Business and Human Rights (2020-2025)", 16 February 2022, <https://www.mofa.go.jp/mofaj/files/100104121.pdf>.

¹⁰ Nikkei Asia, "米国『中国漁船で強制労働』操業企業からの輸入禁止へ" [US to Ban Imports from Companies Utilizing "Forced Labor on Chinese Fishing Vessels"], 29 May 2021, <https://www.nikkei.com/article/DGXZQOCB291890Z20C21A5000000/>.

¹¹ Environmental Justice Foundation, "奴隷労働・違法操業漁業による水産物の日本市場への混入の可能性" [The Possibility of Marine Products of Slave Labor and Illegal Fishing being Mixed into the Japanese Market], 20 August 2021, <https://ejfoundation.org/news-media/奴隷労働・違法操業漁業による水産物の日本市場への混入の可能性>.

formulation and dissemination of human rights policies; identification, investigation, and monitoring of suppliers; implementation of human rights due diligence; establishment of remedy procedures (grievance mechanisms); and stakeholder engagement.

3. Human Rights Policy

Establishing and implementing a human rights policy is significant, under and beyond the UN Guiding Principles, as a means of communicating both internally and externally the commitment of the company to its responsibility to respect human rights and to ensure that all management decisions are based on international human rights standards.

In this regard, all nine companies indicated that they have established human rights policies. In addition, SUMITOMO CORPORATION reported that they regularly conduct seminars inviting external experts and e-learning programs for their executives on human rights issues that require attention in the course of business activities, in order to promote respect for human rights and reduce human rights risks. According to information published on their websites, it appears that many companies conduct such human rights training for their employees.

The formulation of a human rights policy is only the starting point; it is important that, after it has been disseminated to every corner of the company, each employee understands the significance and content of the policy and conducts business activities in accordance with the policy. Continuous training is essential for this purpose. Therefore, it is necessary to regularly implement e-learning and in-house training programs, such as those implemented by the above companies, and then verify the effectiveness of such training programs to see how they actually affect employee awareness and bring about changes in corporate activities, thereby enhancing their effectiveness.

4. Contribution to the human rights issues in supply chains

(1) Knowledge of suppliers and disclosure of supplier lists

In accordance with the UN Guiding Principles, it is extremely important to know not only primary suppliers, but also subsequent secondary and tertiary suppliers, etc., as respect for human rights is required for a company group as well as for its supply chains. In particular, as seafood products are diverse and their supply chains are intricately intertwined with fishermen, aquaculturists, wholesalers, manufacturers/processors, exporters, etc., ensuring traceability is essential in order to prevent human rights violations against workers on fishing vessels, as in the present case, as well as to clarify the responsibility of perpetrators of any violations that have occurred.

In this regard, while all nine companies know their direct primary suppliers, knowledge beyond that varies from company to company. AEON Co., Ltd., by managing product specifications, has knowledge of producers of the raw materials from which its primary suppliers purchase. Mitsubishi Corporation knows the catchers and producers of most of its products, and Sumitomo Corporation knows the secondary and tertiary suppliers of Vietnamese prawns and Peruvian squid, which account for the majority of sales among the seafood products it handles. ITOCHU Corporation has also established a system that enables it to trace raw fish from fishing vessels and processed products from processing plants. Both of these companies are commendable in their efforts to identify suppliers upstream in the supply chain, where human rights violations are more likely to occur.

Seven & i Holdings Co., Ltd., on the other hand, currently only has knowledge of primary suppliers, and it does not know the working environment of secondary and tertiary suppliers or raw material suppliers. However, it said it is aware that this is an issue for the future and will work to improve it. Maruha

Nichiro Corporation; Nippon Suisan Kaisha, Ltd.; Mitsui & Co., Ltd.; and Marubeni Corporation are also considered to have insufficient traceability down to catchers and fishing vessels. For fishing-related companies like them that do not have sufficient knowledge of secondary and tertiary suppliers, a major challenge is to further identify suppliers down to the final catchers and fishing vessels in order to identify human rights risks more concretely.

However, of all nine companies, including those that appeared to be actively working to find out who their suppliers were, no company made their supplier lists publicly available. The UN Guiding Principles emphasize the role of companies to identify the human rights risks that may arise within the supply chains from which they benefit through their business activities, regardless of how complex and large in number those supply chains are due to the nature of the fishing industry. In recent years, an increasing number of companies in different industries, such as the palm oil and garment industries, have disclosed their supply chains as part of their duty to respect human rights. Taking into account this trend as such, in addition to the UN Guiding Principles, and in the light of the importance of disclosing supplier lists as well as the demands of stakeholders, publication of supplier lists is desirable.

(2) Requests to respect the human rights, surveys, and monitoring of suppliers

It is commendable that all the nine companies have asked the suppliers identified above to respect human rights through supplier codes of conducts and other measures. However, sharing and disseminating them alone are not sufficient as measures to actually prevent and mitigate human rights risks. It is crucial to investigate and monitor suppliers to prevent human rights violations from occurring.

In this regard, all companies conduct various kinds of research; however, some companies appear to conduct regular visits to their suppliers, and others only conduct questionnaire surveys. For example, Seven & i Holdings Co., Ltd. conducts a checklist-based survey of its contract manufacturers of its private brand products. After judging which of its overseas factories (i.e., contract manufacturing factories of Seven Premium and contract manufacturing plants in China and 13 Southeast Asian countries that manufacture private brand products for the Group) to be particularly important from a risk management perspective, it conducts annual CSR audits of them and some domestic plants by a third party. Specifically, it visits the factories to check the sites, documents, and data, as well as interviews managers and workers.¹²

Maruha Nichiro Corporation, on the other hand, conducted a survey of its supply chain in FY2020 by sending out a form, but it has not yet completed an on-site investigation as of the current date, and it plans to consider conducting interviews with suppliers and requesting improvements in the future. It can be said that the other seven companies are basically combining surveys of suppliers with on-site visits as well.

A questionnaire is a form commonly used for surveying/monitoring suppliers, but there is a problem that if suppliers do not give an honest response on human rights violations, they are overlooked. Therefore, regular on-site visits must be carried out. In particular, in order to prevent serious cases of human rights violations against the crews of fishing vessels, such as in the aforementioned case, it is ultimately advisable to conduct direct interviews with crew members. Due to the nature of their working environment, workers in the fishing industry such as fishing vessel crews are constantly at risk of exploitative working conditions, forced and long working hours, and abuses, as described above. Fishing companies, therefore, have a responsibility to conduct comprehensive and detailed fact-finding surveys within their supply chains to ascertain human rights risks, including interviews with crew members on fishing vessels, in addition to questionnaires and other means.

¹² Seven & i Holdings Co., Ltd., “お取引先様とともに築く持続的発展可能なサプライチェーンの構築” [Building a Sustainable Supply Chain with our Business Partners], <https://www.7andi.com/sustainability/theme/theme5/client.html> (Accessed: 12 December 2021)

In this respect, surveys and monitoring of suppliers carried out by the nine fishing companies are inadequate and should be expanded to include interviews with crews on fishing vessels.

5. Due Diligence

Fishing companies are likely to be at higher risk of human rights violations such as slave labor in their supply chains, as in the case above. Therefore, it is essential they conduct comprehensive human rights due diligence covering their entire supplier base in order to identify specific human rights risks and prevent, mitigate, and remedy them.

In this regard, eight companies other than ITOCHU Corporation have implemented human rights due diligence. ITOCHU Corporation had started human rights due diligence in 2020, but according to published information, it has not yet implemented it for the fishing industry. For the eight companies that have conducted human rights due diligence, the degree of disclosure on the methods and results of due diligence varies. While some companies, such as AEON Co., Ltd., provided some specific disclosure on the method and results of each, Maruha Nichiro Corporation only disclosed that it "screened human rights risks by country and fish type", and it was not at all clear what method it used to conduct its due diligence.

As the specific methods and contents of human rights due diligence are ambiguously defined, it is necessary that each of the methods and results are fully disclosed in order to ensure transparency and accountability. Therefore, further disclosure is desirable for each of the companies involved in the fishing industry. Disclosure of the human rights risks identified amongst suppliers as a whole and the company's responses to these risks are also crucial from the perspective of accountability to stakeholders.

COVID-19 control measures for workers in supply chains (including crew members on fishing vessels) are also particularly important in the light of the current situation.¹³ Regarding the presence or absence and content of measures to prevent COVID-19 for workers in the supply chain (including crews on fishing vessels), five of the nine companies (Maruha Nichiro Corporation; Nippon Suisan Kaisha; AEON Co., Ltd.; Mitsubishi Corporation; and Marubeni Corporation) had not confirmed it with their suppliers, and Mitsui & Co., Ltd. had not yet responded. Of the three companies that confirmed it with their suppliers, Seven & i Holdings Co. checked only with its domestic factories. The company shared information on infection countermeasures and responses to infected persons, as well as the outbreak of infection, and confirmed whether they were taking appropriate measures to deal with the situation. Sumitomo Corporation conducted interviews on the status of Covid-19 control measures in the target businesses (e.g., working patterns, infection prevention measures, measures taken in the event of an outbreak of infected persons, etc.) in an internal interview. Therefore, it can be considered that these two companies also did not ensure COVID-19 countermeasures for the crews of fishing vessels. ITOCHU has reported that, as a measure against novel coronavirus, ITOCHU Corporation checked the status of disease outbreaks among the crews of fishing vessels used in the trade of raw fish (skipjack tuna and tuna), and it requests strict disease controls among employees in the trade of processed products. While the issue of how to ensure the effectiveness of checking the situation and responding to requests remains, ITOCHU Corporation's response may be of some help.

¹³ As COVID-19 had a devastating impact on workers around the world, the Business & Human Rights Resource Centre surveyed 35 canned tuna brands and supermarkets two years ago, representing over 80 of the world's largest canned tuna brands. The result exposed glacial progress on actions that matter the most to workers trapped in modern slavery. In the absence of adequate action on human rights, companies were ill-prepared to respond to the additional modern slavery challenges that swept in with the COVID-19 pandemic. "All at sea: AN EVALUATION OF COMPANY EFFORTS TO ADDRESS MODERN SLAVERY IN PACIFIC SUPPLY CHAINS OF CANNED TUNA", 23 March 2021, <https://www.business-humanrights.org/en/from-us/briefings/all-at-sea-an-evaluation-of-company-efforts-to-address-modern-slavery-in-pacific-supply-chains-of-canned-tuna/>.

6. Remedies (Grievance Mechanisms)

The UN Guiding Principles call for the establishment of non-judicial grievance mechanisms (grievance systems) to guarantee access to remedies. This is to ensure that the voices of victims of human rights violations, for whom raising their voice is difficult in the context of a wide range of cross-national business activities, are picked up at an early stage, and to prevent human rights violations from worsening. According to principle 31, to ensure its effectiveness, a grievance system should fulfill the following requirements: it should be (a) legitimate, (b) accessible, (c) predictable, (d) equitable, (e) transparent, (f) rights-compatible, (g) a source of continuous learning; and (h) based on engagement and dialog.¹⁴

In cases such as this one, it is particularly important to ensure (b) accessibility. In other words, due to the nature of their work on vessels traveling at sea, fishing vessel crews are likely to be in an isolated and closed working environment, and they may also have limited access to communication. It is therefore essential not only to have a grievance system generally available to workers of suppliers, but to establish a system that is realistically accessible to workers who are crew members on fishing vessels at the end of the supply chain as well.

In this regard, only two of the nine companies (AEON Co., Ltd. and Seven & i Holdings Co.) had set up grievance schemes that were accessible to workers in supply chains, and one company (Maruha Nichiro Corporation) had partially set up a scheme that was accessible to workers on fishing vessels. AEON Co., Ltd. has responded regarding the supply chain of their private brand Top Value that they have set up a hotline where suppliers and their employees engaged in the supply chain in question can consult and report. The hotline is operated by a third-party organization, ASSC (ASSC), and the matter is reported anonymously to a contact point of AEON Co., Ltd. only if the person consulting with the hotline wishes. According to public information, it is also possible to report in English, Chinese, and other languages. However, the state of the communication environment on board fishing vessels is not known, and it is not clear whether the system is actually available to their crew workers on board.

Similarly, Seven & i Holdings Co. responded that it has a helpline dedicated to suppliers of its domestic group companies which is available to directors, employees, and former employees; however, it is unclear whether workers on fishing vessels at the end of the supply chain actually have access to it.

Maruha Nichiro Corporation, on the other hand, while it has not established uniform dialog and redress procedures for external suppliers, it has reportedly set up a grievance system accessible to onboard workers for some of its group companies overseas. (However the details of the mechanism are unclear.)

As mentioned above, in order to establish a grievance system accessible to crew members on fishing vessels with a limited communication environment and access, special considerations are necessary, apart from general hotlines for suppliers. As a prerequisite, the system should be able to accept reports in English or other languages, as in the case of the reporting system of AEON Co., Ltd. On top of that, it is not only satisfactory to just set up a hotline, but it is also essential to set up a means to ensure that the system

¹⁴ According to the UN guiding principle 31, the details are as follows:

(a) Legitimate: enabling trust from the stakeholder groups for whose use they are intended, and being accountable for the fair conduct of grievance processes; (b) Accessible: being known to all stakeholder groups for whose use they are intended, and providing adequate assistance for those who may face particular barriers to access; (c) Predictable: providing a clear and known procedure with an indicative time frame for each stage, and clarity on the types of process and outcome available and means of monitoring implementation; (d) Equitable: seeking to ensure that aggrieved parties have reasonable access to sources of information, advice and expertise necessary to engage in a grievance process on fair, informed and respectful terms; (e) Transparent: keeping parties to a grievance informed about its progress, and providing sufficient information about the mechanism's performance to build confidence in its effectiveness and meet any public interest at stake; (f) Rights-compatible: ensuring that outcomes and remedies accord with internationally recognized human rights; (g) A source of continuous learning: drawing on relevant measures to identify lessons for improving the mechanism and preventing future grievances and harms; Operational-level mechanisms should also be: (h) Based on engagement and dialogue: consulting the stakeholder groups for whose use they are intended on their design and performance, and focusing on dialogue as the means to address and resolve grievances.

is actually used and functions, for example, by explaining how to use the system to crews of fishing vessels before they go on board.

7. Stakeholder Engagement

Due diligence can easily fall into the trap of only assessing business risks for the entities, i.e., the private enterprises, implementing it. However, the UN Guiding Principles define due diligence as a process for the prevention, mitigation, and remedy of human rights violations. Therefore, when examining human rights risks, it is important to focus on the perspectives of human rights holders, such as workers, who are likely to be affected by business activities. One means of ensuring this is stakeholder engagement.

According to the results of the questionnaire, it was found that all companies regularly engage in dialog with stakeholders, such as trade unions and NGOs. In particular, Maruha Nichiro Corporation and Nippon Suisan Kaisha are members of SeaBOS, an initiative by 10 global seafood companies working with scientists to achieve sustainability in the ocean. According to Maruha Nichiro Corporation, the initiative includes dialog with experts twice a year, as well as information exchanges several times a year in Task Force I through consultations and webinars on IUU fishing and the eradication of forced and compulsory labor.

AEON Co., Ltd. has also conducted dialog with its Thai suppliers of shrimp and canned tuna to confirm improvements such as the traceability of vessels. On this basis, for shrimp farming in Thailand, it has switched its products to be ASC-certified to make sure that human rights are protected, and for canned tuna, it is clarifying the history of the tuna down to the raw materials through a third-party chain of custody certification. It is also reaching out to third-party certification programme holders to incorporate human rights standards into their standards for the operational part of their wild fisheries work.

As part of its engagement in the fishing sector, Mitsubishi Corporation regularly reviews and exchanges information with WWF Japan on its initiatives for sustainable fisheries resources and the eradication of IUU fishing.

These dialogs with stakeholders in line with the characteristics of the fishing sector are worthy of recognition. We hope that this will continue in the future and that industry-wide efforts will be promoted to address human rights risks specific to the fishing sector. In addition, when dialog is conducted, it is desirable to disclose not only the fact that it has been conducted, but also the awareness of the issues raised (human rights risks) and the policy for dealing with such issues.

8. Response to the Longxing 629 fishing vessel incident

As noted in part two, the case of Longxing 629 reportedly saw several human rights violations.

Dalian Marine Fisheries Co., Ltd., recruited crew members through a recruitment agency which demanded a hefty commission fee before starting work and deducted this fee from the wages of the workers so that even the highest earners received only 300-400 US dollars a year. The crew members were also subjected to harsh working conditions, working more than 18 hours a day and not being given enough food. As a result, most of them suffered from malnutrition and vitamin deficiencies. They also suffered from continuous violence by the sub-captain and other Chinese crew members during their time onboard. They had their passports confiscated, which made it impossible for them to escape from the harsh conditions onboard which lasted more than one year. Later, when the drinking water on the Chinese fishing vessel was running out, the Indonesian crew members were only allowed to drink diluted seawater. As a result of such conditions, four crew members contracted unexplained illnesses and died. Furthermore, three of the bodies were dumped into the sea without being returned to their families.

Nippon Suisan Kaisha has confirmed that it is not involved with the fishing vessels in concern, Longxing 629 operated by Dalian Marine Fisheries Co., Ltd., in its supply chain for its procurement. In its human rights due diligence process, the company conducted a value chain risk analysis in the form of a workshop, where the case was explained as a specific example. Participants were encouraged to view it as a significant risk unique to the fishing industry. This due diligence method shows that the case was used as a concrete reference in practical risk analysis. The examination and analysis of one specific case, such as above, for its application to the company's initiatives to avoid similar problems in the future should be considered as a reference for concrete case-based initiatives.

By contrast, Mitsubishi Corporation responded as follows: we have previously purchased tuna from Dalian Ocean Fisheries Co., Ltd., directly or indirectly via importers in Japan. However, we do not currently trade with longline distant water tuna vessels in Japan. There are thus no transactions with Dalian Ocean Fishing Co., Ltd., nor plans to restart the trade and do business with the company.

9. Evaluation of the efforts of Japanese companies in the international community

As a reflection of the lagging efforts of Japanese companies as discussed above, international benchmark assessments are also marking them with lower scores. The Seafood Stewardship Index, one initiative of the World Benchmarking Alliance, assesses the efforts of 30 companies in the seafood industry to promote corporate sustainability efforts. This index published each company's annual scores in October 2021.¹⁵ The table below shows the overall and social responsibility scores of Japanese companies, assessing each company's commitments to human rights.

Ranking	Company	Overall scores (out of 100 points)	Scores on social responsibility (out of 40 points)
1st	Thai Union Group	51.9	21.2
17th	Nippon Suisan Kaisha	18.6	3.2
18th	Mitsubishi Corporation	16.4	5.6
19th	Maruha Nichiro Corporation	15.9	5.1
22nd	Kyokuyo Co., Ltd.	10.2	2.6
23rd	Marubeni Corporation	9.8	5.6
26th	YOKOREI Co., Ltd.	1.8	0.5

The index also pointed out that the international community has recognised the fishing industry as a sector at high risk of human and labor rights violations, including forced labor and poor working conditions on fishing vessels. As has been previously noted, the report also identified that the fishing industry faces challenges in ensuring human rights protection and healthy and safe working environments, especially for pelagic fishers. Furthermore, it laid stress on the fact that the seafood industry is

¹⁵ World Benchmarking Alliance, "Seafood Stewardship Index", <https://www.worldbenchmarkingalliance.org/publication/seafood-stewardship-index/> (Accessed: 7 November 2021).

characterized by complex and opaque supply chains, highlighting the need for companies to accurately identify the risks related to human and labor rights and to act accordingly. It also criticizes the poor commitments of the companies in the seafood industry revealed in this survey by the Seafood Stewardship Index, despite a clearly defined and globally recognised framework, such as the Guiding Principles and International Labor Organization (ILO) conventions.

In terms of working and living conditions on fishing vessels, eight companies, Bolton Group, CP Group, FCF, High Liner Foods, Nueva Pescanova, Parlevliet & Van der Plas, Royal Greenland, and Thai Union, have a clear policy to address this issue, of which only two, FCF and Thai Union, have monitoring procedures to complement this policy. The index states that fishing companies and buyers can improve working and living conditions on vessels by supporting the development and implementation of social responsibility standards in line with relevant ILO Conventions in their operations and on their supply chain vessels. It also highlights the necessity of support for small-scale producers and fishers, who play an essential role in supply chains, requiring setting targets for the payment of living wages across the value chain and disclosing the actual amounts of support.

10. Conclusion

(1) Company responses

As discussed above, the report affirms that the companies are already aware of human rights risks embedded in the fishing industry, as revealed in the case of the Longxing 629 fishing vessel. Against this background, the companies have developed human rights policies and taken specific measures following the UN Guiding Principles, which is commendable.

However, many fishing-related companies show underdevelopment of traceability systems covering tier-two and tier-three suppliers and others down the chain. Therefore, a significant challenge is to build a full-supply-chain traceability system, not only for tier-one wholesalers, manufacturers/processors, and exporters, but throughout the chain down to the catchers and fishing vessels. Additionally, disclosure of supplier lists would be desirable, as no companies that appeared to be actively monitoring their suppliers have disclosed their supplier lists. Regarding their supplier surveys, the methodology currently adopted by the companies is inadequate for effective monitoring. The survey should include field research with fishing vessel crew interviews, which would be a more effective approach to reduce human rights risks.

It was revealed that none of the companies has effective human rights due diligence mechanisms involving third-party audits of suppliers. The mechanisms are far from the international human rights standards consistent with the UN Guiding Principles, which leaves plenty of room for improvement of the human rights due diligence measures. In particular, it was reaffirmed that human rights protection throughout supply chains, which is still a challenge in all sectors and industries, is very much an issue in the seafood industry as well, due to the insufficiency of tracing and disclosing supply chains.

Only a handful of the wide range of cross-border products handled by fishing companies have effective audit and human rights due diligence systems in place. A significant gap between published clear-cut human rights policies and operational systems is observed. If an operational audit and human rights due diligence system is being established, a roadmap for the future, including its process, should be disclosed, which would make companies more accountable to their stakeholders. Many companies, however, have insufficiently committed to their human rights due diligence processes to identify human rights risks, as well as to transparency and information disclosure.

Under such circumstances, we are seriously concerned that procurement in fishing companies may become a 'black box' and that human rights violations in global supply chains related to Japanese businesses and consumers may continue to be left unremedied.

i. Summary of the responses to the survey

A summarized response to this survey is attached in the Appendix. Green indicates a response that is in line with the UN Guiding Principles to some extent. Yellow suggests a response that has room for improvement but can be evaluated to a certain degree. Red indicates a response that requires immediate action. We call on each company to reaffirm its responsibility to respect the human rights of workers and other stakeholders in its supply chain, and, on that basis, to indicate how the company positions its responsibility in its medium- and long-term management planning, the current challenges to achieving its human rights commitments, a roadmap for achieving them, and a method for evaluating its achievement such as setting concrete KPIs.

ii. Regarding SDGs

We noticed that some reports and documents have mentioned the SDGs by mapping their company's efforts in the form of labeling each goal. However, the individual goals, which are based on a human-centered approach, are merely guidelines, and excessive labeling is rather a distraction from the essence of the SDGs. While often overlooked, paragraph 67 of the main body of the SDGs refers to the UN Guiding Principles as the main principle for the private sector to address the SDGs. In other words, the SDGs require that all business activities adhere to the UN Guiding Principles when undertaking initiatives to attain their respective goals. We urge the private sector to return to these aims of the SDGs once again.

iii. Requirements from Civil Society

Human rights risks cannot be eliminated entirely as long as business activities are fostered with society and human beings. That is why responsible corporate practice requires identifying human rights risks at an early stage, preventing and mitigating them, and engaging in redress when human rights violations occur. As a member of civil society, we would like to continue to engage in constructive dialogue and engagement to raise consumer awareness and at the same time accelerate our collaboration in working towards the realization of a sustainable society.

iv. Summary

As mentioned above, each company in the fishing industry is expected to develop a human rights policy and act on its corporate responsibilities concerning human rights issues and risks of human rights violations in its supply chain, as required by the Guiding Principles and other international standards. The UN Guiding Principles provide the international human rights norm of the duty to respect the human rights of each person concerning business activities. They also establish standards for developing human rights due diligence to effectively identify, remedy, prevent, and mitigate human rights issues and adverse human rights impacts within supply chains. In addition, the UN Guiding Principles also state that dialogue and grievance mechanisms should be established so that they enable quick responses to human rights violations across business activities.

Following the UN Guiding Principles, companies should fulfill their responsibilities towards adverse human rights impacts within their business relationships, recognising the difficulties in identifying labor rights violations, especially in the fishing industry, and the severe gap between current domestic legally binding measures and international human rights standards.

(2) State Obligations

As mentioned above, each fishing-related company must take voluntary initiatives following the UN Guiding Principles. On the other hand, to prevent and mitigate human rights risks in their supply chains as much as possible, the Japanese government is strongly urged to develop a mandatory human rights due diligence regime in its domestic jurisdiction, which requires disclosure and explanation of non-financial information, including its results.

In this regard, the current domestic legal system lacks a mandatory human rights due diligence regime as such, as well as a system that provides effective remedies for victims of human rights violations within supply chains.

To implement the UN Guiding Principles based on the NAP, the Japanese government should also introduce legal rules that require companies to conduct appropriate due diligence to identify human rights violations across value chains, including supply chains, and to disclose the results of such due diligence, as well as the information, activities, and audit results of their suppliers.

It is also the obligation of states under international human rights law to consider and implement a new legal system for victims' remedies, including non-judicial remedies, to facilitate access to effective justice and remedies for the victims of human rights abuses by business actors. It is also essential that grievance mechanisms be established, including non-judicial ones, as it is challenging to provide an effective remedy to victims only through existing systems, such as nation-based judicial systems.

In addition to this, as mentioned above, to fulfill its social responsibility to the international community as one of the world's leading importers of marine products and to prevent human rights violations in the fishing industry, the Japanese government should not only regulate the import of catches from IUU fishing but also establish laws and regulations prohibiting the import of catches that may violate the human rights of crew members and others on fishing vessels in the process of harvesting.

It is essential that international conventions relating to IUU fishing and working conditions on fishing vessels are promptly ratified and implemented, including UNCLOS, RFMO, PSMA, UNTOC, and The ILO Work in Fishing Convention, 2007.

Recommendations

Given the survey results, HRN offers the Japanese government and fishing-related companies the following recommendations.

(1) To the Japanese government:

- Take necessary measures in accordance with the NAP, including the development of domestic laws, so that the duty of companies to respect human rights can be fulfilled.
- Enact legislation requiring all domestic businesses including fishing-related companies to disclose lists of their supply chains and to conduct proper due diligence.
- Develop laws and regulations that prohibit not only IUU fishing but also the importation of catches that may violate the human rights of crew members and others on fishing vessels in the process of harvesting, thereby contributing to strengthening international standards regarding the guarantee of human rights and the improvement of working conditions in fishing activities.
- Promptly adopt and enforce international conventions related to IUU fishing and working conditions on fishing vessels including UNCLOS, RFMO, PSMA, UNTOC, and The ILO Work in Fishing Convention, 2007 (No. 188).

(2) To the private sector related to fishing:

- Identify suppliers up to the level of the procurement of raw materials such as fishing crews and disclose a list of them.
- Conduct independent, effective, and continuous audits including interviews with fishing crews and disclose the results.
- Conduct human rights due diligence for the identification, prevention, and mitigation of human rights risks concerning the seafood industry, and disclose its process, progress, challenges, and identified human rights risks to ensure accountability.
- Build a grievance mechanism accessible to fishing crews.
- Implement continuous dialogue with stakeholders in the seafood industry.

Summary of Responses

The color-coded criteria for the summary are as follows. Answers in green do not mean that they are necessarily sufficient, and further improvement is desired.

Green: Some room for improvement, but still a certain level of evaluation is possible.

Yellow: Inadequate, but some action is being taken.

Red: Immediate action is required.

	Maruha Nichiro Corporation	Nippon Suisan Kaisha, Ltd.	AEON Co.	Seven & i Holdings Co., Ltd.	Mitsubishi Corporation	Mitsui & Co., Ltd.	ITOCHU Corporation	Sumitomo Corporation	Marubeni Corporation
Acknowledge-ment of human rights issues in seafood industry such as the aforementioned case	Yes	Yes	Yes	In the process of gathering information	Yes	Yes	Yes	Yes	No, but has a general overview of human rights issues in the seafood industry
Has a Human Rights Policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Knowledge of suppliers	Preferentially Tier 1 and conducted a survey of Tier 2 for farmed shrimp	Knowledge of tiers beyond 3 varies according to materials and procurement routes	Up to the level of producers of raw materials tier 1 suppliers purchase from	Up to Tier 1	Mostly up to the level of fishing crews and producers	Depending on the subsidiary, up to Tier 1 and partly Tier 2	Able to trace raw materials from fishing vessels, and processed foods from processing plants	Up to Tiers 2 and 3 for foods occupying the majority of its sales	Generally striving to grasp the overall commercial distribution, but the details are undisclosed
Disclosure of supplier list	No	No	No	No	No	No	No	No	No
Supplier audits	Conducts audits with questionnaires and plans to analyze results, conduct interviews, and request improvements	Conducts audits, conducts in-person and online interviews of suppliers with questionnaires in descending order of sales	Conducts audits with questionnaires of suppliers, raw materials producers, and food processing plants	Conducts audits of outsourcing companies producing private brand goods. The 3rd sector conducts CSR audits (during visits or by interviews) in out-sourcing plants for high risk cases.	Regularly conducts questionnaire surveys of suppliers at high risk. If necessary, there are visits.	With questionnaires and visits to suppliers	Annual visits and surveys are conducted for 45 suppliers	With questionnaires to all suppliers and visits once every 5 years	With questionnaires and visits to suppliers. Details are undisclosed.
Conducts Human Rights Due Diligence in the seafood industry	Yes. Process: vague description disclosed	Yes. Plans to disclose the process and results within 2021.	Yes. Process: Concrete description disclosed	Yes. Process: Concrete description disclosed	Yes. Process: Slightly concrete description disclosed	Yes. Process: Concrete description disclosed	No.	Yes. Process: Concrete description disclosed	Yes, but the details are undisclosed

	Maruha Nichiro Corporation	Nippon Suisan Kaisha, Ltd.	AEON Co.	Seven & i Holdings Co., Ltd.	Mitsubishi Corporation	Mitsui & Co., Ltd.	ITOCHU Corporation	Sumitomo Corporation	Marubeni Corporation
	Results: vague description disclosed		Results: Concrete description disclosed	Results: Abstract description disclosed	Results: Abstract description disclosed	Results: Abstract description disclosed		Results: Concrete description disclosed	
Knowledge of measures to prevent covid-19 for workers in supply chains	No	No	No (In the process of discussing measures)	Only in domestic plants.	No	No answer	Checks the status of disease outbreaks among raw fish shipping vessel crews as appropriate	Conducts in-house interviews within the company. The process for fishing vessel crews is not clear.	No
Has established a grievance mechanism accessible to fishing crews	Partly established	No	Established and accessible to workers of suppliers, but it is not clear if it is accessible to fishing crews	Established and accessible to workers of suppliers, but it is not clear if it is accessible to fishing crews	No	No (there is only a general information desk)	No	No	No