ISSF Participating Company Compliance: Audit Policy Document & Standard Operating Procedures

For Audits Taking Place in 2017 Relating to 2016 Activities
Version 2017/1

January 2016

Integrated Management of Natural Resources

Contents

1   Introduction

To support tuna stock and tuna ecosystem sustainability, ISSF Participating Companies (PC) have agreed to meet a number conservation measures designed to improve the long-term health of tuna fisheries.

This document describes the protocol for the auditing of PC compliance with those conservation measures in effect for 2016.

PCs are obliged to respond fully, accurately and in a timely manner to all reasonable requests made in the course of the reviews. PCs must provide appropriate supporting documents, data or other support. Appropriate confidentiality obligations will be established and observed by ISSF staff and the consultant(s). MRAG will provide a report on each company's participation and cooperation in the audit process.

In addition to the standard audits, MRAG will also follow up in 2017 with PCs that do not demonstrate full compliance with the ISSF conservation measures for 2016.

This document will be amended as required.

2   Program implementation

2.1   Participating Company Compliance

PCs agree to independent auditing against all of the in-effect ISSF conservation measures. Table 1 lists the conservation measures in effect for 2016 and to be audited under this protocol, provides guidance regarding the required action and/or information, and describes the means of verification that will be used to assess conformance. Each PC will be expected to voluntarily provide all necessary information to ISSF and/or MRAG Americas.

Table 1:Conservation Measures and Means of Verification

Conservation Measure	Category	Gear Type	Category Guidance	Means of Verification	Frequency
1.1	Tuna RFMO Authorized Vessel Record	All	All purchases must be from vessels listed on the authorized vessel record of the RFMO governing the ocean area in which the tuna was caught, at the time of the fishing trip, so long as the vessel is of a size subject to listing in the RFMO authorized vessel record. For any purchases from non-PVR vessels, maintain a system check and approve vessel listing.	Auditor reviews company system to ensure that purchases are from properly listed vessels. Traceability exercises, reviewing RFMO vessel records and checking ocean areas where vessels are fishing verifies the system.	Annually
1.2	RFMO Participation	All	All purchases must be from vessels flagged to a member or cooperating non-member of RFMO relevant to fishing area.	Auditor reviews quarterly data sent by the company to the RFMO to check that all vessels meet this requirement.	Quarterly
2.1	Product Traceability	All	Demonstrate ability to trace products from can code or sales invoice to vessel and trip.	Auditor will review recent mock recalls, if available, and select a sample of can codes or sales invoices by label and destination from which the company will conduct traceability exercises. If the company produces cans from loins, or sells loins as a finished good, these products must be included in the assessment.	Annually
2.2	Quarterly Data Submission to RFMO	All	Send information as described in the measure to RFMO scientific bodies for each quarter by the last day of the following calendar quarter.	Auditor checks that information has been sent by companies to RFMO for all purchases.	Quarterly
3.1(a)	Shark-Finning Policy	All	Company establishes and publishes policy prohibiting shark finning.	Auditor reviews company website for published policy.	Annually

Conservation Measure	Category	Gear Type	Category Guidance	Means of Verification	Frequency
3.1(b)	Prohibition of Transactions with Shark-Finning Vessels	All	Refrain from transactions with vessels that have shark finned within two years of the product purchase date (as found by RFMO or competent national authority)	Auditor reviews company system for ensuring no transactions with vessels that practice shark finning. The company system is verified by checking purchases against data gathered throughout the year of RFMO compliance reports, media sources, etc.	Annually
3.1(c)	Prohibition of Transactions with Companies without a Public Policy Prohibiting Shark Finning	All	No transactions with companies that do not have a public policy prohibiting shark finning. If transactions involve flag states that absolutely prohibit shark finning no policy is required. If flag state allows 5% shark fin retention, the company must have a public policy. .	Auditor reviews company procedure for ensuring that all tuna purchases have come from a company that has a public policy prohibiting shark finning. For flag states that do have an absolute shark finning prohibition, auditor will review all publicly available material to ensure no shark finning has taken place. Traceability exercises by transaction or can code to PVR vessels or proof of compliance verifies the system.	Annually
3.2	Large-Scale Pelagic Driftnets Prohibition	All	No transactions in vessels using large-scale pelagic driftnets.	Auditor reviews quarterly report by gear type, and identifies any use of large-scale driftnets. This is done by first identifying vessels using gill nets, then following up on the size of the net. Maximum net size is 2.5 km.	Quarterly, or as reports are issued
				MRAG reviews RFMO compliance committee reports for any indication of vessels using large-scale pelagic driftnets.	

Conservation Measure	Category	Gear Type	Category Guidance	Means of Verification	Frequency
3.3	Full Retention of Tunas	All Purse Seine	All purse seine caught tuna (skipjack, yellowfin and bigeye) retained onboard, except those unfit for human consumption as defined, or when in the final set of a trip, there is insufficient well space to accommodate all fish caught in that set. If the vessel fishes in areas where full retention is mandatory, no further policy is needed. If RFMO does not require full retention, vessel must have documented and implemented policy in accordance with this conservation measure.	Verify that the company sources tuna from vessels that practice full retention of tunas. Auditor checks PVR. For vessels not listed on the PVR, company provides evidence of vessel policy such as: agreement with observer provider to check tuna retention and RFMO or flag state requirement regarding full retention of tunas. RFMO compliance reports are reviewed to identify any vessels/trips that may not comply.	Annually
3.4	Skipper Best Practices	All Purse Seine	Unless exempt per Conservation Measure 8.1, skipper[1] has attended an ISSF Skippers Workshop in person, has viewed the Skippers Workshop video online, or has reviewed the Skippers Guidebook. The workshop video is located at this link. The online guidebook is located at www.issfguidebooks.org.	Verify that the company has purchased tuna only from vessels with skippers that have completed ISSF best practices education. Auditor checks PVR and ISSF list of individuals who have attended Skippers Workshops or have certified that they read the online Skippers Guidebook or viewed the online Skippers Workshop video; or the PC may provide evidence of skipper review of guidebook, video, including list of skippers, method of review and dates of completion.	Annually
4.1	Unique Vessel Identifiers - IMO	All	All purchases must be from vessels with an IMO UVI number if the vessel is capable of being registered by IMO.	Auditor reviews company system to ensure vessel purchases meet this criteria. A sample of non-PVR purchases will be reviewed to assess whether the company system is adequate to ensure that non-PVR vessels meet this requirement.	Annually

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[1] The intent of this conservation measure is that the person or persons trained are those in leadership roles onboard the vessel directing the fishing operations.

Conservation Measure	Category	Gear Type	Category Guidance	Means of Verification	Frequency
4.2	Purse Seine Unique Vessel Identifiers	All Purse Seine	All purse seine vessels with which the company transacts in tuna, and which are not able to receive an IMO UVI number, must have a TUVI issued by CLAV http://www.tuna-org.org/GlobalTVR.htm or ISSF http://iss-foundation.org/download-monitor-demo/download-info/uvi-and-imo-number-instructions/ unless exempt per Conservation Measure 8.1.	Auditor reviews company method to ensure that all vessel purchases meet this criteria. A sample of non-PVR purchases will be reviewed to assess whether the company system is adequate to ensure that non-PVR vessels also meet this requirement.	Annually
4.3(a)	Observer Coverage	Large Purse Seine[2]	Evidence of 100% observer coverage (human or electronic) unless exempt or prevented by force majeure. The data collected by the observer must be made available to the flag state authorities and, if appropriate, to the RFMO, in the format required by the flag state (and RFMO). In case the flag state (or RFMO) does not accept the data, the vessel owner must store data for at least three years from the end of the trip. At a minimum, data to be made available are those fields required by the flag state for vessel logbooks.	Auditor assesses company system for observer coverage of controlled vessels, company data submission to RFMOs and RFMO committee meetings and compliance reports, etc. For non-PVR vessel purchases, the PC provides details of agreement with observer provider (human or electronic) for 100% coverage. If RFMO requires 100% observer coverage, no further evidence is required.	Annually
4.3(b)	Observer Coverage Exemption - WCPO Region	Large Purse Seine	Exemptions may be made for large-scale purse seine vessels in the Western and Central Pacific Ocean fishing in latitudes higher than 20°N/S in cases where the catch (retained and discarded; target and non-target) is adequately sampled and reported to the RFMO. Such exemptions shall be based on a detailed report that will be reviewed and approved by the ISSF Board and announced publicly through the ISSF website.	The auditor will review evidence that the vessel meets the requirements for this exemption.	Annually

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[2]Large-scale purse seine vessels are defined as those with at least 335 m3 fish hold volume.

Conservation Measure	Category	Gear Type	Category Guidance	Means of Verification	Frequency
4.3(b)(i)	Observer Coverage Exemption – New Zealand Flag Purse Seine Vessels	Large Purse Seine	An exemption is granted for tuna caught by New Zealand flag purse seine vessels that operate only within New Zealand waters targeting free school skipjack during the summer season	The auditor will review evidence that the vessel meets the requirements for this exemption.	Annually
4.4(a)	Transshipments	All Purse Seine	No transactions in tuna where transportation included transshipment, except when exempt per Conservation Measure 4.4 (b)(i) or Conservation Measure 8.1.	Auditor reviews data submission for relevant RFMO, transshipment documents and RFMO compliance committee and commission reports to verify that tuna purchased has not undergone unauthorized transshipment.	Quarterly
4.4(b)(i)	Transshipment Exemption – Papua New Guinea	Large Purse Seine	No transactions in vessels that transship unless they have been granted an exemption under this clause (fishing only in the archipelagic waters of PNG; and that are based in PNG and are associated with processing facilities in PNG).	During the traceability exercise, the auditor reviews any instance of transshipment to assess whether the exemption applies.	Annually
5.1	Illegal, Unreported and Unregulated (IUU) Fishing	All	No transactions with vessels on any tuna RFMO IUU vessel list.	Auditor checks quarterly data sent by the company to the RFMO for the presence of IUU listed vessels.	Quarterly
				The auditor reviews the company purchasing system to prevent IUU fish. This will also be assessed during traceability exercises to verify that products do not originate from IUU vessels and by reviewing compliance committee reports, commission reports, etc.	Annually

Conservation Measure	Category	Gear Type	Category Guidance	Means of Verification	Frequency
5.2	Illegal, Unreported and Unregulated (IUU) Product Response	All	No IUU purchases. If IUU found, company must withdraw these products from the marketplace.	Auditor reviews company recall procedure for presence of IUU policy, then reviews company purchases and compares to RFMO IUU lists.	Annually
				Company initiates market withdrawal of IUU products.	As needed
6.1	Transaction Ban for Large-Scale Purse-Seine Vessels not Actively Fishing for Tuna as of December 31, 2012	Large Purse Seine	Demonstrate that all purchases from large-scale purse seine vessels are from vessels actively fishing for tuna as of December 31, 2012 and listed on the ISSF Record of Large-Scale Purse Seine Vessels (Record). If a vessel is not listed on the Record, the company shall provide evidence of the vessel attributes in accordance with Conservation Measure 6.2 (a). Any updates to the Record must be made in accordance with 6.2(a).	The auditor reviews a list of company purchases from large-scale purse seine vessels to assess whether the source vessels are listed on the ISSF Record of Large-Scale Purse Seine Vessels. If source vessels do not appear in the Record, the company must provide evidence in accordance with Conservation Measure 6.2(a) as described below.	Annually
6.2(a).2.a	Requirements for Inclusion in Record of Large-Scale Purse Seine Vessels Fishing For Tropical Tunas	Large Purse Seine	Provide certification from government body that vessel was licensed to fish for tuna before December 31, 2012.	ISSF reviews evidence provided by vessel owner to determine whether vessel is eligible to be listed in the ISSF Record.	Annually or as needed

Conservation Measure	Category	Gear Type	Category Guidance	Means of Verification	Frequency
6.2(a).2.b	Requirements for Inclusion in Record of Large-Scale Purse Seine Vessels Fishing For Tropical Tunas	Large Purse Seine	To demonstrate that the vessel was contracted for construction before 12/31/12, the vessel representative may provide such evidence as a signed contract, supporting correspondence, deposit paid, plans, photos, etc., certificate from IACS member, IMO number or RFMO record. To demonstrate that construction was completed before 6/30/15, the vessel may provide such evidence as completion of sea trial, certificate from shipyard, sale of fish, skippers log, observer report, etc., certificate from government agency.	MRAG reviews evidence provided by company to determine whether vessel is eligible to be listed in the ISSF Record.	Annually or as needed
6.2(a).2.c			Vessel provides update regarding name, flag or registration number.	ISSF reviews evidence provided by vessel owner to determine whether vessel is eligible to be listed in the ISSF Record.	
6.2(a).2.d			If vessel replacement is one to one, the well volume of the new vessel must be less than or equal to the well volume of the vessel being removed. If a new vessel is intended to replace multiple vessels listed in the ISSF Record, the aggregated replaced capacity of more than one vessel already on the ISSF Record must be at least 1.2 times the new capacity (aggregated replaced capacity/1.2 = permitted new capacity).	MRAG reviews evidence provided by vessel owner to determine whether vessel is eligible to be listed in the ISSF Record.	
6.2(a).3			If a vessel on the ISSF Record is to be refurbished, the new fish hold volume must show that the aggregated replaced capacity is at least 1.2 times the capacity of the vessel before refurbishment ((original vessel capacity + replaced capacity)/1.2 = refurbished capacity).	MRAG reviews evidence provided by company to determine whether vessel is eligible to be listed in the ISSF Record.	

Conservation Measure	Category	Gear Type	Category Guidance	Means of Verification	Frequency
7.1	Registration of Controlled Vessels	All Purse Seine	Register all controlled purse seine vessels on the PVR.	Auditor will obtain list of controlled vessels from company and compare to PVR. Information may also come from industry and media sources.	Annually
7.3	Purchases from PVR Vessels	Large Purse Seine	For fishing trips beginning on or after January 1, 2016, source 100% of skipjack, yellowfin and bigeye tuna caught by large-scale purse seine vessels from vessels registered in the PVR.	Auditor isolates skipjack, yellowfin and bigeye tuna caught by large-scale purse seiners within the quarterly RFMO data submission and compares trip dates and purchase data to PVR listing dates. Supporting documentation may be requested to verify the accuracy of trip dates.	Quarterly
8.1	Exemption for Very Small Purse Seine Vessels[3]	Small Purse Seine	Very small purse seine vessels are exempted from the following ISSF Conservation Measures: 3.4 Skipper Best Practices 4.2 Purse Seine Unique Vessel Identifiers 4.4(a) Transshipment	The company can demonstrate that the vessel is less than 30 GT by providing fishing licenses, vessel surveys, photos, etc.	Annually

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[3] For the purposes of this measure "very small purse seine vessels" are those vessels of a size less than 30 GT.

2.1.1 Introduction

Table 1 describes audits for PC compliance to the ISSF conservation measures that apply for purchases and other activities by PCs in 2016. The audits will generally follow the principles of ISO 19011. It is the responsibility of the Program Manager to ensure audits are compliant and consistent with the most up to date ISSF conservation measures. The basic audit process is described in the following chart:

Step	Task	Actions
1	**Audit Planning and Scheduling**	PCs provide quarterly RFMO data. Audit planning for annual assessments includes an information request to all PCs for a list of controlled vessels, company policies, confirmation of affiliated companies that will be included in the audit and an information request for data to be used for traceability exercises. Thereafter, the auditor requests information relating to specific transactions/can codes along with evidence of conformance with all other conservation measures. Each phase will have associated deadlines for data submission.
2	**RFMO Data Review**	This phase of the audit includes a review of all 2016 quarterly RFMO data submissions, along with a review of recent RFMO compliance committee reports, commission reports, etc.
3	**Policy Review**	This phase of the audit includes a review of company policies and a request for sales data from which traceability exercises may be based. The PC may meet the request for traceability data in the form of a list of sales invoices for PVR products or a list of PVR can codes produced.
4	**Traceability Audit, etc.**	This phase of the audit includes a review of the transactions or can codes selected for traceability exercises and any conservation measures not assessed during the previous phase.
5	**Preliminary Audit Report**	At the completion of all audit phases, the auditor(s) will prepare a preliminary report outlining performance, including any non-conformances, and provide the report to the PC and ISSF.
6	**Remediation Period and Final Audit Report**	A 30 day discussion/remediation period will follow each preliminary report, during which PCs can provide to the auditor(s) clarification or additional information to resolve non-conformances. At the end of this 30-day period, the auditor(s) will issue a final audit report to the PC and ISSF.
7	**Follow-Up (if necessary)**	If any non-conformances were raised during the audit, MRAG will set timeframes for remediation. PCs then submit information to MRAG to establish compliance with ISSF conservation measures.

2.1.2 Participating Company Audits

The auditing process begins with the application of a company wishing to join the ISSA. An initial review of information will then be conducted as part of the application which covers all requirements, followed by quarterly checks on RFMO data submission and annual checks of traceability of purchases to vessels on the PVR. For purchases traced to vessels not listed on the PVR, the audit includes verification that those vessels nevertheless comply with ISSF requirements. Table 1 describes the conservation measures and the methods used to verify conformance.

2.2 Audit Determination and Reporting

The auditing described in this document serves as an assessment of conformance by PCs. Any significant gaps in conformance and where corrective actions may be necessary will be specified. Timelines for remediation will be prescribed by MRAG in the audit report, however any sanctions or other actions will be at the discretion of ISSF. Depending on the nature of the non-conformance and the required corrective action, a follow up audit may be required.

2.2.1 Non-conformances

Where, following this audit process, a company is determined to be in less than full compliance, the company will have the opportunity to undertake mitigation measures within a specific time frame. If the company fails to do so, the company will be referred to an ISSF compliance committee.

Conformance is categorized into grades (Conformance, Observation, Minor Non-Conformance or Major Non-Conformance). Non-conformances must be raised against specific ISSF conservation measures. The severity of the non-conformance – and in particular whether this jeopardizes the integrity of the ISSF program – determines which non-conformances are raised.

MRAG Americas defines audit findings as follows:
- Conformance - the PC can provide evidence of compliance with a particular conservation measure or commitment
- Observation - the PC is currently in compliance but there is a high risk that non-conformance could occur inadvertently without implementing preventative actions
- Minor Non-conformance – the PC does not comply with a particular conservation measure or commitment, but this does not compromise the integrity of the ISSF initiatives[4]
- Major Non-conformance – the PC does not comply with a particular conservation measure or commitment and this compromises the integrity of the ISSF initiatives[5]

MRAG Americas' procedures for handling non-conformances for PCs are as follows:
- MRAG Americas substantiates conformance through documented evidence.
- Where a company cannot provide documented evidence of conformance with a conservation measure or commitment, a non-conformance must be issued.
- All non-conformances must be graded either major or minor.

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[4] Example: PC submitted RFMO data beyond the stated deadline.
[5] Example: PC did not submit RFMO data.

- In the case of a non-conformance, ISSF may require a Corrective Action Response (CAR). The corrective actions must be in place and evidence of addressing the condition must supplied to MRAG or ISSF within an agreed timescale or a follow up audit may be required.

2.2.2   Corrective Action Responses (CARs)

To rectify non-conformances, the PC may be given the opportunity to provide a CAR. The nature of the CAR is at the discretion of the PC. MRAG Americas does not advise on what specific corrective action the PC may take, but will assess whether the CAR is expected to address the non-conformance. MRAG Americas will also not provide advice with respect to any sanction that might be applied to a PC resulting from identified non-conformances. Such action will be at the discretion of the ISSF.

2.2.3   Audit Reports

All audit reports are provided directly to ISSF and the PC representative via email notification. Actions following receipt of the report, including the opportunity for a CAR and/or sanctions are at the discretion of ISSF. Any issues raised by the PC with regard to the audit findings will be directed to ISSF.

Audit reports will be retained electronically for the duration of the PC's participation and will be available to ISSF at all times.

3   Annex 1. Audit Program Policy

3.1   Overall Audit Policy

It is the policy of MRAG Americas to ensure that its audit operations are consistent with defined standards and procedures in order to maintain the highest appropriate level of quality. To this end, MRAG Americas undertakes ISSF audits according to the standards and procedures described in this manual and only within the scope of the ISSF conservation measures current at the time of auditing. MRAG Americas has developed this document and its auditing procedures with guidance from ISO/IEC 17065:2012(E).

Specifically, it is the policy of MRAG Americas to ensure that:
- All ISSF audits meet these documented standards for independence, accuracy, precision, representativeness, comparability, and suitability to their intended purposes;
- All ISSF audits are verifiable and defensible, and all components related to their generation are properly documented;
- Data integrity is maintained and documented;
- Data confidentiality is maintained;
- Audit Program reviews are conducted on a scheduled and documented basis;
- Managers, supervisors, and staff throughout MRAG Americas, and its contractors, understand their roles in managing quality; receive the training necessary to meet quality standards for job tasks; and are encouraged to identify and suggest improvements to the program.

3.2 Program Manager

In all respects, the Program Manager is responsible for ensuring that the content of this manual is followed. The Program Manager is the main contact point at MRAG Americas for ISSF audit-related queries and drives the MRAG Americas program.

The Program Manager's main responsibilities include:

a) Organizing and coordinating ISSF audits for MRAG Americas
b) Supervising assessment teams
c) The first point of contact for ISSF audit enquiries
d) Ensuring quality assurance of documentation
e) Maintenance of data confidentiality
f) Regularly convening MRAG Americas senior management for review and oversight
g) Identifying potential conflicts of interest
h) Leading program review and improvements

The Program Manager ensures the audit policy and systems are amended and updated as necessary and is responsible for ensuring changes and improvements are captured and communicated to auditors for implementation in subsequent assessments, as appropriate.

3.3 Assessment Team

MRAG Americas selects auditors and other experts on the basis of their competence, training, qualifications, and experience for an Assessment Team (or individual) to conduct ISSF audits. All personnel involved in the audit are provided with and briefed on up-to-date ISSF documentation for auditors. Documentation includes:

a) Contractual obligations on auditors, including requirements to report actual and potential conflicts of interest and to maintain confidentiality;
b) Specification of division of responsibilities between auditors and experts of MRAG Americas;
c) Procedures to be undertaken by auditors;
   • prior to audits;
   • during onsite audits;
   • after audits, e.g., specification of responsibilities and recommended schedules for report writing; and
d) Information about the overall role of the auditor and audit process in maintaining the integrity of the conservation measures.

Any person engaged by MRAG Americas as an auditor for the ISSF audit program has:
- received a copy of this document;
- received sufficient training in the correct procedures and requirements for ISSF audits;
- received a copy of all applicable ISSF conservation measures;
- received a copy of ISSF Audit Checklists (Annex 2);
- received a copy of ISO 19011 Standard;
- sufficiently demonstrated their performance and capabilities to the appropriate level prior to conducting solo audits; and

- signed an MRAG Americas contract (either as an employee or contractor), which includes terms of reference, conflict of interest, confidentiality, a Statement of Non-Disclosure, timing, and responsibilities of the assessor.

3.4   Auditor training

Audits are carried out by fully trained MRAG Americas auditors. These auditors are experienced in other audit programs and will be provided with ISSF audit training to ensure they fully understand the specific ISSF audit criteria.

The training program will include:
- Desktop training (remote)
- Shadow audit(s) observing an MRAG Americas experienced auditor
- Annual refresher training
- Performance review audits by an MRAG Americas experienced auditor

3.5   Documentation and Means of Verification

Document control procedures are used to ensure accurate tracking and management of all documentation utilized during audits. Other than documents requiring an original signature, such as contracts with clients, which may be kept in both paper and electronic formats, MRAG Americas keeps electronic versions of documents for official record keeping.

Copies of vessel and company documentation (either electronic or hard copy) are considered acceptable audit evidence. In some instances, for example in the case of commercially sensitive documents, sighting of a document on a computer screen during a webinar session (i.e. using screen sharing) may be an option[6].

Where a company is audited for purposes other than ISSF, evidence from those audits can be submitted as evidence for the purposes of the ISSF audit. However, while those other audits can be used to provide additional evidence and enhance efficiency for the company to report information showing conformance with conservation measures, they cannot be used to supplant the MRAG Americas audit against ISSF conservation measures.

MRAG Americas will use the PC Compliance checklist for all audits. The completed and reviewed audit checklist will also serve as the audit report. A copy of the audit report will be provided to both ISSF and the company.

MRAG Americas will endeavor to allocate auditors who speak the language in common use at the company being audited. Translation of audit evidence into English and/or audit reports from English into the language of the company will be the responsibility of ISSF.

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[6] The decision regarding whether sighting of a document in this way is acceptable will be made by the Auditor following policy advice from MRAG Americas. This will depend on the nature of the document and the conservation measure or commitment for which it is being used as evidence of conformance.

3.6 Confidentiality and data security

3.6.1 Confidentiality

Much of the information needed to confirm conformance with ISSF conservation measures may be confidential to the PC being audited. MRAG Americas limits access to confidential data to employees and contract auditors authorized to work on specific audits. MRAG Americas understands that the fishing, management, and/or processing operations they assess may include proprietary fishing strategies, locations, data, and business information and practices. All MRAG Americas employees involved in PC audits, including office personnel and individuals participating in subcontracts (e.g. contract auditors) sign a binding confidentiality/non-disclosure agreement in which they undertake not to discuss or communicate any confidential information to third parties other than as required within MRAG Americas as a normal part of the audit programme. Data are not to be released, reproduced, distributed, or published without prior approval of ISSF. MRAG Americas follows strict data management procedures to protect the confidentiality of audit information. MRAG does not publish any form of audit data, other than as required in the ISSF audit process, without the express consent of ISSF.

MRAG Americas reserves the right to disclose Confidential Information to its responsible employees and individuals participating in subcontracts with a *bona fide* need to know such Confidential Information. Recipients are informed that the information is confidential and is for the sole purpose of the specific project. MRAG Americas may disclose Confidential Information if and to the extent that such disclosure is required by applicable law, provided that they use reasonable efforts to limit the disclosure by means of a protective order or a request for confidential treatment and provide the owners of the information (i.e. the PC) a reasonable opportunity to review the disclosure before it is made, and to interpose its own objection to the disclosure.

3.6.2 Data Security

ISSF data and/or open computer files will not be left unattended and confidential data are gathered from output devices immediately. Any data output not included in reports sent to ISSF are shredded immediately. MRAG uses a multi-user network of computers. MRAG will ensure security of the network with a three-level approach. The original networking software will contain firewall code that will protect the network from unauthorized access. Access to all network terminals is by password only.

All computer files associated with, or containing, confidential data are stored only in directories on a system that is password-protected and only authorized personnel have access to system passwords. Each authorized employee will have a unique password and passwords will allow access to only select files. The Program Manager is responsible for maintaining data security.

3.7 Compliance with legal requirements

MRAG Americas complies with all legal requirements in the countries in which the company operates and key personnel have demonstrable understanding of such legislation and regulations.

Should MRAG Americas become aware at any time that legal proceedings have been instigated or other allegations concerning the legal compliance of MRAG Americas activities associated with this program arise, we shall notify ISSF as soon as is practicable and within a maximum of seven days. MRAG Americas shall advise ISSF of the outcome of any such proceedings or allegations.

3.8 Program Review

Program review for PC audits will occur annually. The Program Manager will also conduct ongoing program reviews (on a minimum annual basis) to ensure program activities are as effective and efficient as practicable to achieve program outcomes.