

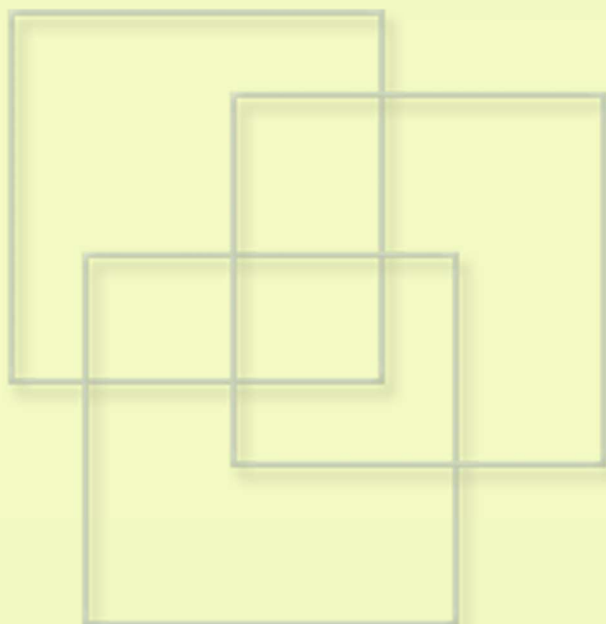


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ILO Asia-Pacific Working Paper Series

Global supply chains: Insights into the Thai seafood sector

Lorenza Errighi, Ivanka Mamic and Birgitte Krogh-Poulsen
April 2016



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Regional Office for Asia and the Pacific

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Preface

This paper was drafted, based on desk research, in mid-2015 as part of the ILO's ongoing work on global supply chains (GSCs). It was later updated in April 2016 to encompass regulatory developments in Thailand. It serves as an important and timely input to various fora, including policy discussions such as the ILO's International Labour Conference discussion on global supply chains and the upcoming 16th Asia and the Pacific Regional Meeting in 2016.

While Thailand has received sustained international attention, and media reports on forced labour and human trafficking in the Thai fishing industry have been frequent and prolific over the past few years, it is important to stress that the issue is by no means confined to Thailand, nor to the fishing industry.

The Thai fishing industry was chosen as an example of a global industry with a decent work deficit for multiple reasons. Firstly, information is in fact available from the fishing sector in Thailand – this is by no means a given. Forced labour and human trafficking is illegal and information is hard to come by, as perpetrators conceal their activities and victims are afraid to speak out. Secondly, Thailand has in fact taken steps to address problems in the industry and, while there may still be a long road to walk, choosing an example from Thailand does in fact also provide an opportunity to look at what may be done to promote decent work in GSCs. Moreover, ILO's engagement in promoting decent work in the Thai fishing and seafood sector is substantial and this experience has informed the analysis in this paper in a significant way.

When reading the paper it is important to bear in mind that various initiatives are rapidly unfolding in Thailand at the moment and therefore the paper might not necessarily reflect all the latest developments and activities undertaken to strengthen law enforcement, coordination, ethical business practices, etc. The ILO recognizes the multiplicity of efforts and the wide range of stakeholders involved and we consider this analysis of the Thai fishing and seafood sector an important contribution to the global knowledge base on decent work in global supply chains. We therefore hope that this paper will be an informative source in improving practices in global supply chains across multiple regions, countries and sectors. Learning from the experiences in Thailand can be valuable elsewhere too and decent work must prevail no matter where and in all operations that feed into global supply chains.



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Abstract

In recent decades, the Thai seafood sector has expanded on a global scale by using foreign labour and inputs, while exporting processed and semi-processed seafood products to the largest economies including the United States, the EU and Japan. Growing international market shares and economic development have been achieved through the attraction of foreign capital, the achievement of good sanitary standards and investment in appropriate infrastructure in the sector. Therefore, the Thai seafood sector is an example of economic upgrading through participation in global supply chains (GSCs). However, while the sector is a key contributor to growth and employment for Thailand, social upgrading has been limited to levels and processes in the supply chain where there is a direct interaction with international buyers and more exposure to consumers. Severe decent work deficits have been documented in fishing and pre-processing activities, including the use of forced and child labour. Such deficits can be attributed to weak governance, which has been mostly related to deficiencies in public enforcement in the sector. By illustrating key economic trends, decent work challenges and public and private governance in the Thai seafood GSCs, the case study presented in this paper is an example of how social upgrading is not always tied to economic upgrading, if governance gaps persist. It is also an illustration of how governments may seek to improve legislation and enforcement in GSCs.

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The responsibility for opinions expressed in articles, studies and other contributions rests solely with their authors, and publication does not constitute an endorsement by the International Labour Office of the opinions expressed in them, or of any products, processes or geographical designations mentioned.

Acronyms and abbreviations

AP	Associated Press
ASC	Aquaculture Stewardship Certificate
CCCIF	Command Center for Combatting Illegal Fishing
COC	code of conduct
CPUE	catch per unit effort
CSO	civil society organization
DLPW	Department of Labour Protection and Welfare
DOF	Department of Fisheries
EEZ	exclusive economic zone
EJF	Environmental and Justice Foundation
EMS	Early Mortality Syndrome
EU	European Union
FAO	Food and Agriculture Organization
FIP	Fishery Improvement Project
FOC	flag of convenience
FTA	free trade agreement
GLP	Good Labour Practices (programme)
GMS	Greater Mekong Subregion
GSC	global supply chain
GT	gross tonnage
HACCP	Hazard Analysis and Critical Control Points
ILO	International Labour Organization
IOM	International Organization for Migration
IPEC	International Programme on the Elimination of Child Labour
IPOA	International Plan for Action to Fight IUU Fishing
ITF	International Transport Workers' Federation
ITUC	International Trade Union Confederation
IUU	illegal, unregulated, and unreported
KKSP	Kelompok Kerja Sosial Perkotaan Note
LDC	least developed country
LPA	Labour Protection Act
LPN	Labour Rights Promotion Network
MNC	Multinational corporation
MOAC	Ministry of Agriculture and Cooperatives
MOFi	Ministry of Fisheries

MSC	marine stewardship label
MWRN	Migrant Workers' Rights Network
NFAT	National Fisheries Association of Thailand
NGO	non-governmental organization
OSH	occupational safety and health
PCA	Partnership and Cooperation Agreement
PIPO	Port In-Port Out (Controlling Centres)
R&D	research and development
RTMP	Royal Thai Marine Police
TFFA	Thai Frozen Food Association
TIP	trafficking in persons
TLR	transnational labour regulation
TTIA	Thai Tuna Industry Association
TRIANGLE	Tripartite Action to Protect Migrant Workers within and from the Greater Mekong Subregion from Labour Exploitation (ILO project)
EU	European Union
UNEP	United Nations Environmental Programme
WWF	World Wildlife Fund

1. Introduction

1.1 Global seafood supply chain: Overview

The global seafood supply chain is one of the most complex of all such chains. It involves multiple sources and processing locations, some of which are mobile, and distributes to multiple markets with different consumer demands and preferences.

The global seafood supply chain is also one of the most important from both the food security and employment perspectives. In 2014, according to the Food and Agriculture Organization (FAO), the food fish supply grew by an estimated 3.2 per cent, outpacing world human population growth. Employment in this sector has experienced similar expansion. In 2012, the sector employed 4.4 per cent of the 1.3 billion people economically active in the broader agriculture sector worldwide. It is estimated that the industry provides livelihoods for 10–12 per cent of the world's population (FAO, 2014a).

Developing and middle-income nations are exporting significantly greater quantities of seafood products. In large part, this is due to technological developments, as well as to the lowering of tariffs on fish in some import markets (FAO, 2014a). Developing countries, China in particular, are also seeing increasing domestic demand and concomitantly greater imports due to rising economic standards and the associated increasing differentiation in fish consumption.

Box 1 **Note on terminology**

This paper explores decent work in global supply chains (GSCs) in the seafood industry, focusing on the Thai seafood sector. It examines all stages of production and sale, from both wild catch of seafood and fish breeding to final consumption in domestic or export markets. Fishmeal, fish oil, and fish (animal) feed comprise integral parts of seafood supply chains. The terms seafood “supply chain”, “industry”, and “sector” are here used interchangeably. The aim is to assess both total production and total consumption at sea and on land. “Fishery” for the purposes of this paper, includes the catching, harvesting, and processing of all types of seafood, not just fish species. Similarly, seafood refers to all produce.

European Union (EU) countries still present the largest global market for imported seafood, and their reliance on imported fish is increasing. EU, Japan, and the United States impose strict hygiene measures on imports, requiring exporting countries to comply with food safety standards. Thailand has a solid track record on food safety, which makes it an important supplier to Western markets in the EU and the United States.¹

The global seafood sector is a major contributor to global value creation and economic development, and provides a significant livelihoods basis for millions of people. It is also an industry, however, that has repeatedly come under scrutiny for poor labour practices.

Thailand, one of the world's leading seafood exporters, has over the past few years been subject to particularly intense attention for its labour practices in the fishing industry, both on shore and, notably, on board vessels flying Thai flags and off-loading catch in Thai ports, though labour exploitation in the industry is by no means confined to Thailand (ILO, 2013a).

¹ Hazard Analysis and Critical Control Points (HACCP) is an extensive mandatory food safety management system applied by food business operators in a number of countries. It aims to systematically reduce or eliminate biological, chemical, and physical hazards. HACCP assessment has become a routine part of food safety inspection in many countries.

This paper looks into the factors behind poor labour practices in the global fishing industry and identifies good practices from global supply chains (GSCs) that can promote decent work in the sector. The focus is on Thailand, but the paper also draws comparisons with other countries, primarily in Asia.

1.2 Market trends and GSCs in the Asia-Pacific Region

Asia is the global seafood industry's most important producer, employer, and consumer. Fish provides 30 per cent of the animal protein in a typical Asian diet. Indeed, Asian countries currently account for the largest share of the world's per capita seafood consumption. Of the 126 million tonnes of fish available in 2009, consumption in Asia accounted for two-thirds, and is projected to make up 70 per cent of global fish consumption by 2030 (World Bank, 2013).

It is estimated that 11 of the largest 18 fisheries (fish catchers) are located in Asia (FAO, 2014a).² Players in the region have become leaders in production by coupling existing technology with low production costs and aggressive fishing practices. The Asia-Pacific region's tuna industry is among the largest in the world, with a value of US\$1 billion annually, and directly employs more than 6 million people (ADB, 2013). However, environmental sustainability in fisheries is a key concern for the region. If current fishing trends continue, the ability of reef systems to provide food for coastal populations in Asia and the Pacific is predicted to decrease by 50 per cent by 2050 (ADB, 2013).

Asia also dominates in terms of aquaculture, as it is responsible for 89 per cent of world production. China alone accounts for 62 per cent of global aquaculture production by quantity and 51 per cent by value (FAO, 2014a). ASEAN is an important region for aquaculture, as its members produce 11.3 million tonnes, accounting for about 17 per cent of the world's total (WorldFish and Conservation International, 2011). Freshwater fish production dominates, and mainly comprises carp. Shrimp and bivalves, such as oysters and mussels, are also significant. China and other major producing countries are increasing their investments in aquaculture to help meet growing demand globally, compensating for over-exploitation and depletion in wild fishing stocks. In Asia, the share of freshwater aquaculture

Box 2
Factors affecting prices:

- direct costs associated with fishing, breeding, and processing (including labour costs);
- seasonal bans on species;
- over-exploitation of stocks, leading to lower productivity (catch per unit) and increased operating costs;
- regulation to combat over-exploitation of stocks;
- climate change and natural disasters (e.g. tsunamis);
- oil prices (transport costs); and
- tariffs (trade costs).

has been gradually increasing, up to 65.6 per cent in 2010 from around 60 per cent in the 1990s (Seafish, 2012). The ASEAN region has seen rapid growth in aquaculture production, which expanded by 115 per cent between 2003 and 2008. One report predicts that, by 2030, 62 per cent of food fish will come from aquaculture (World Bank, 2013). Asian countries are expected to continue to dominate world aquaculture production, with a share of 89 per cent by 2021 (Seafish, 2012).

In terms of employment, most fishers and fish workers live in Asia (FAO 2014a). An estimated 23 million people in Asia work in fishing and processing, comprising 73 per cent of total employment in the

sector.

² Including China, Indonesia, India, Japan, the Republic of Korea, Malaysia, Myanmar, the Philippines, the Russian Federation, Thailand, and Viet Nam.

In recent decades, Asia – China, in particular – has also become one of the world’s top fish-processing regions, often regardless of where the actual fishing activities were conducted. Because of their competitive labour forces and sufficient availability of physical capital, processors in Asian-Pacific countries are able to import frozen seafood products for processing and then export them as value-added products. Many of the large aquaculture producers and large Asian fishing companies are starting to vertically integrate their supply-chain activities, particularly in processing and distribution, where efficiency gains are highest. Japan has reportedly been the driver of over 36.5 per cent of acquisition deals in the region, followed by Viet Nam, which has accounted for around 17.1 per cent of all transactions (M&A International, 2013). Low labour cost advantages in primary sector activities still dominate, however, since Asian countries remain well endowed with cheap unskilled labour, the result of marked income disparities across the region. Hence, the low costs associated with primary-level activities such as fishing, farming, and de-heading are so low, especially in parts of Asia, that costs savings as a result of vertical integration may not materialize. As a result, fishing and fish farming activities mostly are conducted by small-holders, who suffer from weak bargaining power. Hence, higher traceability requirements related to the vertical integration of primary sector activities are offset by cost advantages stemming from arms-length transactions, as fisher and fish farmer activities remain deeply fragmented.

1.3 Consolidation of GSCs in the seafood industry

A number of factors have contributed to the geographical concentration of seafood processing and its vertical integration into GSCs.

In 2012, about 200 countries reported exports of fish and fishery products (FAO, 2014a). Favourable trade liberalization policies through expanding World Trade Organization (WTO) membership, entry into force of bilateral and multilateral trade agreements, and rising disposable incomes in emerging economies has meant that the fisheries industry has opened to consolidation of global GSCs.³ This has been reinforced by more efficient distribution and marketing channels, as well as by continuing technological innovation, including improvements in processing, packaging, and transportation.

GSCs in the seafood sector are becoming both more complex and more integrated. Whole frozen fish from European and North American markets, for example, are sent to Asia for filleting and packaging – to China in particular, but also to other countries such as India, Indonesia, and Viet Nam – and then re-imported back to Europe and North America for consumption. Major innovations in refrigeration, ice-making, packaging, and transportation to ensure product integrity have also supported the expansion of fish distributed in fresh, chilled, and frozen forms. Further outsourcing of production to new entrants might be constrained, however, for example by sanitary and hygiene requirements (HACCP) that are difficult to meet without substantial upgrading to infrastructure and processes.

Multinational companies increasingly outsource simple processing such as de-heading, gutting, and peeling of seafood to lower-income countries – often those very countries where the seafood is caught

³ ILO defines GSCs as “demand-supply relationships that arise from the fragmentation of production across borders, where different stages of a production process are performed in two or more countries” (ILO, 2015). Estimates show that GSC-related jobs currently represent 20.6 per cent of total employment, compared to 16.4 per cent in 1995 (ILO, 2015). Other definitions of GSCs, global value chains, centre on the concept of competitive advantage (value-added gains) achieved through the dispersion of production (Porter, 1985). It is important to note that the highest value-added stages of production, e.g. research and development (R&D), marketing, and product design, are capital/skilled labour-intensive, and mostly conducted in developed markets. Meanwhile, labour-intensive stages are increasingly outsourced to developing countries, and are mostly dominated by highly competitive demand-supply relations (associated with surpluses of unskilled labour). This study focuses mostly on low-value-added, upstream production stages in emerging markets, hence the reference to GSCs.

and/or bred – while economically more developed countries still undertake the more complex processing activities. A number of middle-income countries, Thailand among them, operate extensive seafood processing industries which span simple primary processing to substantial value addition through cooking and preparation of such products as ready-to-eat meals.

Increasingly, a number of countries in Asia, Bangladesh and Myanmar among them, are recognized as offering untapped potential, but outsourcing to these countries depends on a number of factors, including their capacity to meet food safety standards, global oil prices, and the cost of transport to export markets. At the same time, the fishery trade is closely tied to the overall global economic situation and can thus be strongly affected by volatility in commodity prices.

Rising prices have led to increased substitution, where possible, of wild-caught seafood products. Fish from aquaculture is progressively replacing wild-caught fish for consumption, while “trash fish”,⁴ used for fishmeal and fish oil in fish feed for aquaculture, is increasingly being substituted by non-fish products. For now and the near future, however, fishmeal and fish oil are expected to continue to be widely used as strategic ingredients in both human and animal food, as well as in certain production stages.⁵ Aquaculture still consumes around 60 per cent of total fishmeal production. In Thailand, given that overfishing has led to significant depletion of food fish stocks, and due to increasing demand for fishmeal from shrimp farms, vessel operators are more and more targeting trash fish, a practice that is accelerating the exhaustion of national marine resources. An estimated 60 per cent of total Gulf of Thailand catches, for example, are comprised of trash fish (EJF, 2015a).

1.4 Employment and labour issues

Global employment in the fishery sector is growing faster than the world’s population. In 2012, work in fisheries represented 4.4 per cent of the 1.3 billion people economically active in the broad agriculture sector worldwide, against 2.7 per cent in 1999. Also in 2012, fisheries provided livelihoods to 10–12 per cent of the world’s population, with 58.3 million people engaged in the primary sector of fisheries and aquaculture (FAO, 2014a). Employment in fishing in capital-intensive economies, however, is decreasing because of policies to reduce overcapacity in the fleets and technological advances that have made fisheries less labour intensive and more productive. Most of the world’s fishers and seafood processors are therefore working and living in lower- and middle-income countries, mainly in Asia, and are employed in small-scale, informal family businesses. More than 90 per cent of people, it is estimated, engaged in capture fisheries and aquaculture run small-scale activities (FAO, 2010). Tables 1 and 2 provide an overview of the geographical dispersion of employment in fisheries in Asia and globally. The estimates for Thailand are conservative, in all likelihood the figures are higher.

⁴ Trash fish, low-value-added species used as animal feed, are fish unsuitable for human consumption.

⁵ Fishmeal is a commercial product made from fish, including bones and offal from processed fish. This brown powder or cake is produced by drying fish or fish trimmings, often after cooking, and then grinding it up. Fatty fish are also pressed to extract fish oil. Fishmeal is found in approximately 8 per cent of pet foods. It is produced mainly from mackerels (Asia), anchovies (Peru), menhaden (US), sardines (Japan), and pout (Norway).

Table 1. Fishers and fish farmers in Asia and the world

	1995	2000	2005	2010	2011	2012
Total fishers in Asia	31 296	39 649	43 926	49 345	48 926	49 040
Total fishers in world	36 223	46 845	51 418	57 667	57 514	58 272
% of world total	86.40	84.64	85.43	85.57	85.07	84.16
Fish farmers in Asia	7 762	12 211	14 630	17 915	18 373	18 175
Fish farmers in world	8 049	12 632	15 115	18 512	19 015	18 861
% of world total	96.43	96.67	96.79	96.78	96.62	96.36

Source: *The state of world fisheries and aquaculture* (FAO, 2014).

Table 2. Estimates of number of fishers in selected Asian countries (ILO, 2014c)

Country	Number of fishers
Japan	202 880
Korea, Rep. of	192 883
Malaysia	134 110
Taiwan (China)	246 659
Thailand	142 845

Source: *Work in fishing in the ASEAN region: Protecting the rights of migrant fishers* (ILO, 2014c).

Work in fisheries tends to divide along gender lines. Work at sea aboard vessels is almost entirely a male occupation, something normally performed by men and older boys, though younger boys may be employed as well to perform such tasks as attaching buoys to fishing nets. Women and girls tend to engage in work on shore in such jobs as primary processing and packaging. Aquaculture is conducted, with local variations, by both men and women and, in some cases, by family-based enterprises engaging all members of the family. Experience from the 2010–2015 ILO-International Programme on the Elimination of Child Labour (IPEC) project to combat child labour in seafood processing areas in Thailand shows clearly that younger women dominate low-skilled, low-pay primary seafood processing operations such as shelling of shrimp (ILO-IPEC, 2011).

The ILO currently estimates that 232 million workers around the world are international migrants. The use of underpaid migrant labour enables commercial fishing vessels to increase their profit margin and thus achieve competitive advantage in the sector, as wages usually account for 30–50 per cent of total operating costs (Agnew and Barnes, 2004). No firm global estimates are available for the number of migrant workers in fisheries, partly because a substantial number of the world's migrant workers are unregistered. Unregistered migrants appear to be common in certain fisheries in Asia, though documentation is piecemeal and sometimes anecdotal. A study conducted by the ILO-Greater Mekong Subregion (GMS) Tripartite Action to Protect Migrant Workers from Labour Exploitation

(TRIANGLE) project in Thailand, clearly documents working and living conditions of the, mostly undocumented, migrants crewing fishing vessels (ILO, 2013b). Table 3 presents estimated numbers of migrant fishers in East and South-East Asian countries.

Table 3. Estimates of migrant fisher numbers in East and South-East Asian countries (ILO, 2014c)

Migrant destinations	Japan	Korea, Rep. of	Malaysia	Taiwan (China)	Thailand
Cambodia	n.a.	n.a.	n.a.	66	Portion of 41 128
China	n.a.	721	157	n.a.	n.a.
Indonesia	Approx. 4 000	2 043	1 666	15 637	n.a.
Lao PDR	n.a.	n.a.	n.a.	n.a.	Portion of 41 128
Myanmar	n.a.	n.a.	n.a.	62	Portion of 41 128
Philippines	n.a.	n.a.	354	5 303	n.a.
Thailand	n.a.	n.a.	25 268	n.a.	n.a.
Vietnam	n.a.	961	1 771	2 037	n.a.
Other	n.a.	281	6 743	1 762	n.a.
Total	4 000	4 006	35 975	24 867	41 128

“n.a.” Indicates that data are unavailable.

Source: *Work in fishing in the ASEAN region: Protecting the rights of migrant fishers* (ILO, 2014c).

Available documentation, such as the ILO-TRIANGLE study on work in fisheries in Thailand, paints a bleak picture of labour conditions in this industry, especially for undocumented migrants. Abuses have also been reported in numerous media reports from Thailand and elsewhere in the world, and in three recent reports from the Environmental Justice Foundations (EJF, 2014; 2015a; 2015b). Previous research has identified the GMS fisheries sector as being particularly vulnerable to coercive and deceptive labour practices (ILO, 2006). Human trafficking has also been identified among Ukrainian fishing operators in the Republic of Korea, the Russian Federation, and Turkey (Surtees, 2012). Some industrialized countries – e.g. Ireland, the Republic of Korea, New Zealand, the Russian Federation, and Scotland – allegedly practise forced labour among fishers (ILO, 2013a), but have been taking measures to eliminate such practices. For example, allegations of forced labour practices perpetrated against Indonesian fishers in New Zealand resulted in substantial changes in national policies and practices, including the requirement that fishing vessels “re-flag” when fishing in New Zealand waters (Devlin, 2009).

Decent work deficits in the fisheries industry range from unclear contracts and late payments to serious exploitation and abuse through hazardous child labour, forced labour, and human trafficking. Victims have described how they have been subject to violence, sexual abuse and threats, and how, in extreme cases, they have witnessed the killing of shipmates. Abuse may occur at the hands of employers, but it often also happens at the hands of recruiters and other crew members.

Fair recruitment for migrant workers, in and of itself, is an issue of major concern. Recruitment agents, when regulated and “playing by the rules”, can serve as major contributors to alleviating bottlenecks in labour markets and to securing decent employment for migrants. Many recruiters, however, instead operate outside the regulations, and can only be characterized as people smugglers and human traffickers. Hence, dealing with decent work deficits in fisheries, and other sectors with high levels of low-skilled jobs undertaken by migrants, requires more than regulating only the actual operations – recruitment practices also need regulation and monitoring. The latter is especially challenging when migrant workers are recruited through personal networks, e.g. family members and people from the same village who are already working abroad.

Fishing, particularly aboard vessels, is notoriously dangerous, as is acknowledged in the preamble to the ILO Work in Fishing Convention, 2007 (No. 188). In the EU, fishing is recognized as the most hazardous occupation, with a work injury rate 2.4 above the average EU rate (Jensen, 2005). One factor is the typically long working hours. This has been documented as one of the main features of fishing industry work, especially when performed by migrant workers in poorly regulated environments, and by victims of forced labour (ILO, 2013a). Yet another factor: workers in fishing tend to be remunerated according to the amount of fish they catch, which is decreasing because of depletion of stocks.

Child labour is a concern in some fishing communities. Experience from Thailand suggests, that while underage workers are occasionally found on vessels, most child labour is undertaken on shore in the primary processing operation, which tends to be less formalized than higher value adding operations. Bangladesh also faces the issue of child labour in shrimp de-heading facilities, where children tend to work long hours in poor labour conditions without access to educational opportunities (FAO and ILO, 2013). In Indonesia, children often work extensive hours on *jermals* (fishing platforms) in hazardous conditions (FAO and ILO, 2013). In 1998, the Indonesia non-governmental organization (NGO) Kelompok Kerja Sosial Perkotaan Note (KKSP) surveyed more than 140 fishing platforms in Indonesia. The study revealed that over 8,000 children were employed in the sector, at least 75 per cent of whom were boys, of whom about 33 per cent were younger than 14 years (Higgs, 1998). The ILO/IPEC Project Fishing and Footwear Sectors Programme to Combat Hazardous Child Labour aimed to eliminate the worst forms of child labour in the sector between December 1999 and July 2004 (ILO, 2010c). Subsequently, through appropriate public awareness-rising and child labour monitoring, the number of children involved in hazardous work in the fishing industry in Indonesia has decreased dramatically.

Hence, while most ILO member States have ratified the ILO core labour standards regulating child labour and forced labour, the application of these standards in the fisheries industry is far from uniform. While the standards can be domesticated relatively easily in national legislation, enforcement of such legislation is particularly difficult in the fisheries sector for reasons such as the following:

- The sector is characterized by high levels of mobility, which makes inspection challenging.
- Fishing vessels are not stationary, and migrant worker populations are mobile, so making contact and accessing workplaces and workers can be difficult.
- Marine inspectors may not be well equipped or trained to properly assess workers’ conditions at sea.
- Overlapping jurisdictions at sea, the division of responsibilities across government departments and between countries, undermines effective inspection of vessels and related law enforcement.
- High levels of economic informality characterize key operations such as primary processing, especially in low- and middle-income countries. Inspecting and ensuring compliance with labour and other relevant legislation is notoriously difficult in the informal economy, since information such as the extent and location of operations may unknown or be only temporarily accurate.

Convention No. 188 takes these factors into account and provides guidance on how to protect fishers. The Convention does not extend to processing, which is often covered by other industrial and labour legislation. Commercial fishing activities, compared to other occupations, are characterized by a higher incidence of injury and death (ILO, 2013a). Therefore this sector-specific international Convention is being promoted by the ILO to address the particular decent work challenges found in commercial fishing.

Convention No. 188 was introduced in 2007 with broad support from governments and employers' and workers' organizations around the world. The Convention covers a multitude of labour issues related to the commercial fishing sector, including the following:

- regulation of the minimum age of work;
- social security protection;
- minimum standards for work agreements;
- sufficient rest periods;
- occupational safety and health (OSH);
- right of repatriation at the end of the contractual period;
- medical care and examination; and
- standards for decent living conditions.

Convention No. 188 includes flexibility provisions to account for the global diversity of fisheries. In particular, more flexibility is granted to small vessels operating at sea for relatively short periods; higher standards are required for long-haul fishing vessels of 24 metres in length and more (ILO, 2013c). During the 96th International Labour Conference in 2007, the Work in Fishing Recommendation No. 199 was also issued, complementing Convention No. 188 with the aim of guiding member States in the implementation of the Convention's provisions.⁶

Ratification and application of Convention No. 188 throughout the global seafood supply chains and in fishing nations would be a major contribution to protecting fishers from abuse and exploitation. In fact, however, the Convention has yet to enter into force, generally speaking, since it has yet to be widely ratified. At the same time it should be noted that compliance with, and enforcement of, Convention No. 188 is dependent on effective inspection and registration of vessels in both flag and port states.⁷

In May 2013, a global dialogue for the promotion of Convention No. 188 was held in Geneva to provide updates on the efforts of States to ratify the Convention, as well as to discuss challenges regarding implementation. It also provided a forum for sharing good practices, reporting and reviewing promotional activities, and considering the Convention's role in addressing major fishing sector issues (ILO, 2013d).

Regional initiatives such as those promoted by the ASEAN TRIANGLE project also promote ratification of Convention No. 188, aiming to enhance its effectiveness through regional cooperation. To date, however, no ASEAN member State has ratified it (ILO, 2013e). A gap analysis is being

⁶ More details available at: www.ilo.org/global/industries-and-sectors/shipping-ports-fisheries-inland-waterways/WCMS_177280/lang--en/index.htm [accessed 19 Feb. 2016].

⁷ Flag state refers to the state under the laws of which a commercial vessel is registered or licensed. Flag states are responsible for enforcement of national and internal laws regarding their vessels. Failure to exercise international responsibilities, however, has led to more inspections and better law enforcement through the use of port state jurisdiction, where foreign vessels operate in the internal waters of a coastal state. This implies that a port State can require foreign vessels in its own ports to comply with its rules and regulations (ILO, 2013a).

conducted in Indonesia and the Philippines to identify discrepancies in domestic labour legislation that prevent the effective ratification of the Convention (ILO, 2015b).

In addition to legal instruments such as international Conventions, social dialogue serves as a key instrument in promoting decent work, but the fishing industry is characterized in many places by relatively weak traditions of social dialogue and tripartism (FAO, 2014b). This varies widely across the globe, however, and trade union density and collective bargaining coverage is generally lower in developing countries (Hayter and Stoevska, 2011). Strengthening social dialogue may therefore prove a key measure, in many contexts, in addressing poor labour conditions in fisheries.

Labour exploitation and abuse are directly linked with illegal, unregulated, and unreported (IUU) fisheries, which account for 19 per cent of catches worldwide (EC, undated), which again links directly with the depletion of fish stocks (EJF, 2015a). This underscores the complexity of labour and social issues in fisheries supply chains. Achieving sustainable fisheries thus requires a holistic examination of the constellation of interconnected issues. Globalization has led to many long-distance fishing operations being structured as transnational corporations. Fishing operators tend to register their vessels in open international registers, sometimes to avoid law enforcement measures, increasing their ability to engage in organized criminal activities and related labour exploitation. Fishers in such long-haul vessels lack effective protection from labour and human rights abuses.

Box 3
More on IUU fishing and related labour exploitation

Labour abuses are often associated with IUU fishing. Over-exploitation of fish stocks is reflected in lower catch per unit effort (CPUE), especially in waters close to coasts. As a result boats have to travel longer distances to make their quotas, and fuel costs thus rise. Given decreasing profitability associated with rising overheads and lower catches, fishing vessel owners and skippers may engage in poor labour practices, paying low and irregular wages and neglecting OSH measures, or even engaging in outright forced labour to cut costs. Such illegal practices are well hidden due to the longer time that fishers employed on long-haul vessels tend to spend at sea, currently averaging one to two years (EJF, 2014), and given frequent transshipment. Indeed, once imprisoned at sea, crew members have no opportunity to escape; catches and supplies are often transferred to and from other boats in a manner that prevents fishers getting ashore. Another report (Greenpeace, 2014) also raises the issue of flags of convenience (FOCs), which are used in the most unscrupulous fishing operations to circumvent labour and environmental conservation laws, thus avoiding sanctions. Vessels can flag in a country with less stringent, unenforceable, or non-existent labour and environmental standards. In some jurisdictions, open vessel registries mean that IUU vessels can easily re-flag and change names to confuse authorities and avoid prosecution (ILO, 2013a).

Increasingly, consumers in many seafood import markets are demanding socially and environmentally sustainable seafood. Hence, addressing decent work deficits within the global seafood supply chains is no longer an option – it has become a business requirement for most producers, traders, and retailers. Significant labour rights gaps in GSCs still prevail, however, and the remainder of this paper is dedicated to considering strategies that might promote good labour practices in the seafood GSC. The identification of good practices draws to a great extent upon experience from ILO work in support of good labour practices in the fisheries sector in Thailand, mainly through two major projects implemented between 2010 and 2015: the GMS TRIANGLE Project, which aims to improve migration management and support migrant workers in the GMS; and the ILO-IPEC project to combat child labour and promote good labour practices in seafood processing areas in Thailand. In the following sections, we examine the fisheries sector in Thailand before turning our attention to good practices.

2. Thailand's seafood industry

Thailand is one of the world's leading seafood exporters, with half of its production comprising crustaceans, mostly internationally traded shrimp. The industry has grown significantly since the 1970s, with production doubling from 20 kilograms per capita in 1990 to 40 kilograms per capita in 2008 (FAO, undated; Laowapong, 2010). After a record-high production of 1.4 million tonnes in 2009, Thailand saw its production fall to 1.3 million tonnes in 2010 and then – mainly because of widespread flood damage in 2011 and the dive in shrimp yield as a consequence of Early Mortality Syndrome, or EMS (FAO, 2014a) – to 1.2 million tonnes in 2011 and 2012. The total value of Thailand's seafood exports in 2011 amounted to US\$7.3 billion (EJF, 2014).

Since the middle of the last decade, total seafood production in Thailand has been in decline, with major increases in aquaculture production partly mitigating significant drops in marine capture productivity. Another important new feature is that Thailand has increasingly taken to importing raw materials for its processing industry. In particular, Thailand has become the world's top importer⁸ of fresh, chilled, and frozen tuna, with imports of 700,000–800,000 tonnes annually (FAO, 2009). This country is also one of the world's largest exporters of shrimp, canned tuna, squid, and cuttlefish. Shrimp products and canned tuna, respectively, contribute 36 per cent and 27 per cent of the total value of Thailand's fish exports (FAO, 2009).

Thailand has established itself as a key processing country for seafood products made from both domestically sourced and imported raw materials, and for compliance with the strict HACCP standards required for international trade. Thailand's long record for outstanding food safety has given it a comparative advantage over many other low- and middle-income seafood exporting countries, and Thai seafood thus plays an important role in GSCs, not least because of its preeminent position with regard to exports to high-income countries. Moreover, the Thai seafood industry has undergone significant economic upgrading, with processing of higher-value products (e.g. canned tuna) and cold storage, packaging, and branding playing increasingly important roles in the industry (FAO, undated). Indeed, Thailand has long benefited from established business ties and substantial investment flows from major economic partners such as the Europe, Japan, and the United States. The national industry's longstanding and reliable sources also means that international trading partners are more likely to engage with Thai business partners and authorities within a longer-term perspective.

More than 500 fish species inhabit Thai waters, including economically important species such as mackerel, migratory tuna, anchovies, grouper, and various shrimp and other crustaceans (Laowapong, 2010). But fishing stocks have declined substantially due to pollution and overfishing, and Thai vessels now travel farther and farther out to sea to secure their catches. Thai fishing operations are also increasingly characterized by such malpractices as non-selective trawl fishing, with threatens the integrity of marine ecosystems (EJF, 2015a). This not only drives up operating costs (e.g. more diesel) but also lowers productivity and profitability.

As discussed above, aquaculture plays an increasing role in commercial fish production, though EMS has reduced production in recent years. In 2012, farmed crustaceans accounted for 9.7 per cent (6.4 million tonnes) of food fish aquaculture production by volume, but 22.4 per cent (\$30.9 billion) by value (FAO, 2014a). Coastal aquaculture, most importantly breeding warm-water shrimp, accounted for about 25 per cent of production, this rate increasing on average by 8.5 per cent per year between 1998 and 2008, with shrimp production accounting for most of the increased output. Grouper and sea

⁸ Refer to Case 1 for further information on sources of import.

bass were also farmed in coastal fish farms, with sea bass farms making up 63 per cent of the total. Furthermore, freshwater aquaculture of tilapia and other species increased an average of 9.5 per cent per year between 1998 and 2008 (Laowapong, 2010).

Hence, both wild-caught fish and commercially bred seafood supplies the extensive Thai fishing industry, serving both the domestic market and major overseas markets, with the EU, Japan, and the United States the major export markets.

The Department of Fisheries in the Ministry of Agriculture bears primary responsibility for inspecting fish production for compliance with environmental and food safety standards, both at sea and on shore, but the Department of Labour has the mandate to inspect labour conditions and OSH. In addition, the Marine Police have jurisdiction over criminal activities at sea. Hence, multiple government departments need to work together to conduct inspections and ensure that the relevant legislation is enforced. Such agencies, however, tend to be both under-resourced and to lack the technical competence to conduct proper investigations, as evidenced by the “ghost ships” used in IUU fishing in Thailand. Ghost ships refer to a practice where boat owners use the same registration for multiple vessels, thereby making some ships effectively invisible. The phenomenon of ghost ships led the Thai Department of Fisheries (DOF) to estimate there were about 4,000 Thai fishing vessels operating outside Thailand’s exclusive economic zone (EEZ), only half of which had been registered (EJF, 2015a; Robertson, 2011).

Thai fishing boats are required to obtain a registration permit from the Marine Department, which provides a tool for monitoring their movements into and out of port. In practice, however, systematic registration and inspections are not applied (Mirror Foundation, 2011). About 50,000 fishing boats operate out of Thai ports, but only about 20,000 have completed the Marine Department’s registration process. Recent estimates from the Thai DOF indicate that unregistered fishing vessels account for about two-thirds of the total (EJF, 2015a). This in turn further complicates Thai Government efforts to improve transparency and traceability in the supply chain through improving port-in/port-out control of vessels.

Figures 1 and 2, together with the accompanying text boxes, outline in greater detail two supply chains originating in Thailand, one for canned tuna, the other for shrimp.⁹

⁹ Related reference to AP in the text box on Case 1 on Thai canned tuna available at: www.youtube.com/watch?v=vgYgAVQG5lk [accessed 19 Feb. 2016].

2.1 Case 1 Supply chain: Thai canned tuna¹⁰

Box 4 Case 1 Supply chain: Thai canned tuna

Thailand's canned tuna industry is export-oriented, with about 95 per cent of total production destined for foreign markets, mainly Europe, Japan, and the United States. Thailand ranks number one in the world in canned tuna production, and its production of about 692,870 tonnes, valued at \$1.1 billion, accounts for more than half of the global trade (Asia Foundation and ILO, 2015). The canned tuna supply chain can be divided into three broad categories: fishery; processing (subdivided into loining and canning); and retail and distribution. Even though Thailand is the world's largest tuna exporter, profits are eroded by the need to import raw tuna, which can account for 70 per cent of total production costs (UNEP, 2013). Thai fishing vessels contribute only a very small part of tuna supply. In 2013, domestic tuna fishing accounted for about 20,000 tonnes, compared with 1 million tonnes of imported tuna. Raw fish stocks are mainly imported from China, Indonesia, Japan, and Taiwan (China). Skipjack is the most common catch (accounting for 50 per cent of global catches), followed by yellowfin (30 per cent), bigeye (10 per cent), albacore (7 per cent), and bluefin (3 per cent). Yellowfin stocks are the only ones not being over-exploited (UNEP, 2013).

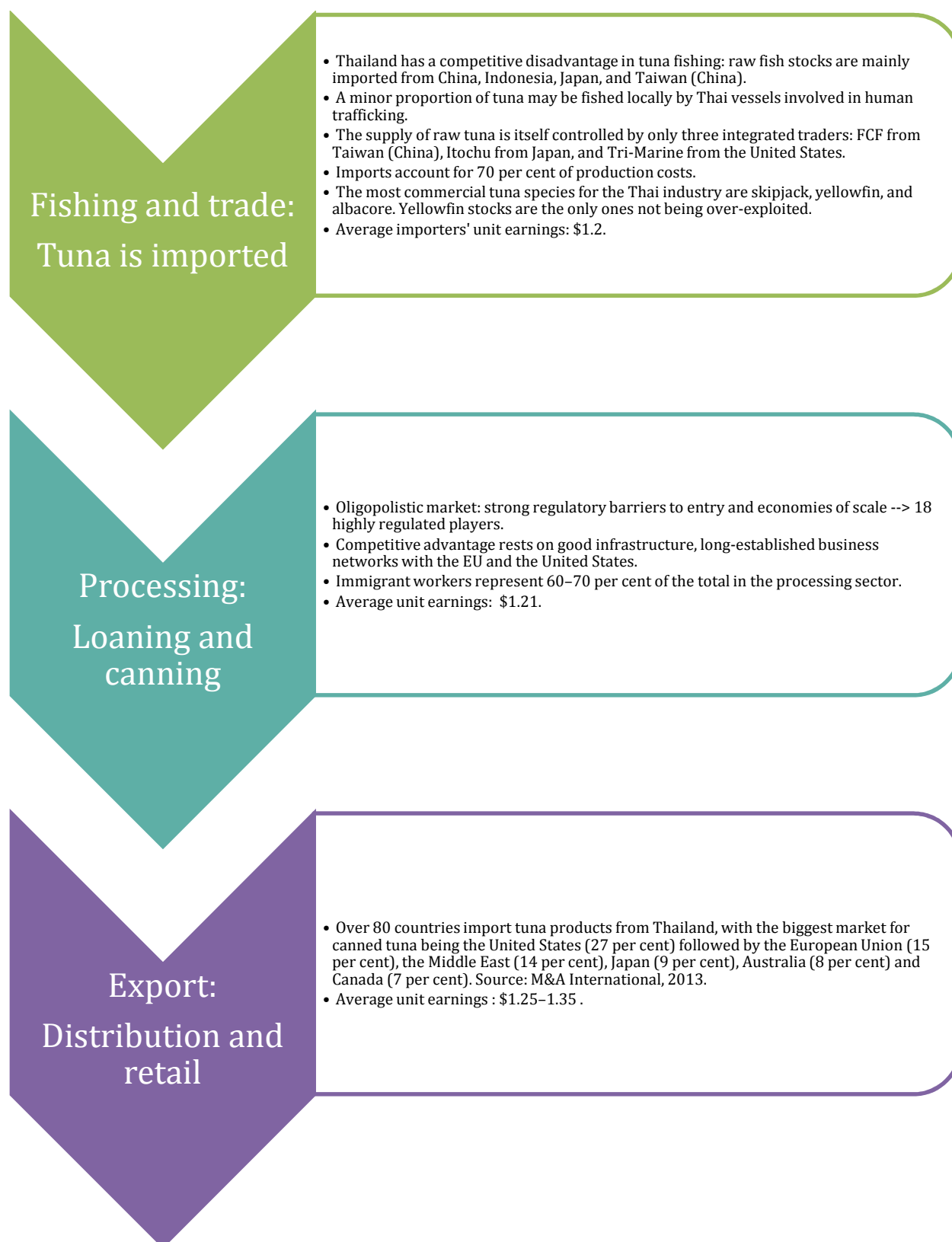
To reduce direct labour costs, many fishing companies from high-income countries have replaced their local fishing crews with foreign crews from countries that pay lower wages, e.g. Cambodia, China, and Myanmar. Vessels registered in Taiwan (China) and the Republic of Korea have been found in violation of fundamental labour rights by the media (BBC, 2014; Bloomberg, 2012). Furthermore, Thai processing plants may be mixing a minor portion of tuna caught by Thai pirate fishing vessels with other, "clean", supplies from abroad (AP, 2015).

Despite the competitive disadvantage of having to factor in imported raw tuna, Thailand has developed a competitive advantage in related and supporting industries such as canning and sea transport, benefiting from strong business ties and investment flows from developed markets, mainly Europe and the United States. The industry is heavily dependent on low labour costs, and therefore mainly employs immigrant workers, who represent 60–70 per cent of a total of 80,000 workers in the processing sector (Asia Foundation and ILO, 2015).

The Thai canned tuna industry is highly consolidated, consisting of only 18 players, all of whom are members of the Thai Tuna Industry Association (TTIA). The supply of raw tuna is itself controlled by only three integrated traders: FCF from Taiwan (China), Itochu from Japan, and Tri-Marine from the United States. This highly integrated system allows for strong controls throughout the supply chain. Indeed, the Thai canned tuna industry is subject to strong monitoring mechanisms and decent labour regulations, as pressure from overseas buyers has compelled Thai canned tuna processors to achieve and maintain high product quality and proper labour standards in their operation. Furthermore, TTIA is part of the Fishery Improvement Project (FIP), which also involves the Thai Department of Fisheries, which aims to establish environmentally sustainable management of tonggol/longtail tuna caught off Thailand's east and west coasts (the Gulf of Thailand and the Andaman Sea, respectively). FIP also aims to monitor labour issues in the fishing industry.

¹⁰ See www.sustainablefish.org/fisheries-improvement/tuna/thai-tonggol [accessed 19 Feb. 2016] for more details regarding the Fishery Improvement Project (FIP). See article on labour rights abuses in Taiwan (China): www.bbc.com/news/world-asia-27498048 [accessed 19 Feb. 2016]. See labour rights abuses on Republic of Korea-flagged ship: www.bloomberg.com/bw/articles/2012-02-23/the-fishing-industrys-cruellest-catch [accessed 19 Feb. 2016].

Figure 1. Tuna supply chain¹¹



¹¹ Cost figures are taken from Amporn Laowapong, Department of Fisheries Ministry of Agriculture and Cooperatives, Thailand, for the FAO Value Chain Project Workshop, University of Tokyo, 9–11 Dec. 2011.

2.2 Case 2 Thai shrimp supply chain¹²

Box 5 Case 2 Thai shrimp supply chain

The highly diverse Thai shrimp industry involves many players operating in different parts of the supply chain. The industry employs about 700,000 workers, 80 per cent of whom are migrants. These include more than 10,000 small-scale farmers, hundreds of traders, about 1,000 pre-processors, and more than 100 export processors. Half of the production is destined for export, while the other half supplies the domestic market (Asia Foundation and ILO, 2015). In the last decade Thailand has been one of the world's largest exporters of shrimp products. In 2012, for example, the country exported 540,000 tonnes. However, production decreased to 250,000 tonnes in 2013, due to the spread of Early Mortality Syndrome (EMS) in shrimp farms, leading to around \$1 billion in losses (CSR Asia, 2014). Despite the fact it is non-native to Asia, the Pacific white-leg shrimp (*Vannamei*) now constitutes 95 per cent of production because of its better resistance to disease, unlike the local giant tiger shrimp, which used to dominate the market. Given increasing pressures from high-income importers, export processors have taken steps to improve labour conditions and environmental threats in their supply chains. This has in turn encouraged their direct and indirect suppliers to improve compliance to the relevant standards. Processing export facilities are highly concentrated and regulated, as they need to register with the Thai Department of Fisheries (DOF) and must be members of the Thai Frozen Food Association (TFFA), complying with Hazard Analysis and Critical Control Points (HACCP) standards to export. However, there is a lack of proper regulation and enforcement in the processing of shrimp products for the domestic market (not least due to the absence of pressure from overseas buyers), which has led to allegations that labour exploitation and child labour are still common practices in these enterprises. Such problems are especially prevalent in the shrimp peeling sheds to which the removal of heads, veins, and hard shells is subcontracted. This pre-processing stage of production is the most labour-intensive and the least regulated aspect of an otherwise rather sophisticated supply chain.

The Thai Frozen Food Association (TFFA) has established institutional measures aimed at ending child and forced labour in the seafood industry in its affiliated facilities within two years, as well as ensuring their compliance with national law. This includes TFFA being one of the driving forces behind the establishment of the good labour practices (GLP). TFFA is a membership organization, however, and its reach is limited to members, so reaching out to "rogue operators" who are unlikely to join trade associations is challenging. Sustained attention is beginning to impact corporate decisions to vertically integrate in the sector. In December 2015, just few days before the release of an AP report that exposed slave-like conditions in factories of suppliers of peeled shrimps, the conglomerate Thai Union announced that it would, from 1 of January 2016 directly employ shrimp peelers so as to guarantee their welfare.

Trash fish, highly associated with illegal, unregulated, and unreported (IUU) practices, is being used as fish feed in shrimp farms, perpetuating labour abuses in the primary stages of the supply chain, which are often neglected by international buyers in terms of compliance inspections. Indeed, around 78 per cent of fishmeal is used by shrimp farms in Thailand, and some commentators have alleged that 10–12 per cent of the fish used in fishmeal comes from IUU vessels (EJF, 2015a). Labour exploitation related to sourcing of fish feed is also accompanied by the use of pesticides and antibiotics, which are potentially dangerous to human health (CSR Asia 2014).

¹² See [www.thai-frozen.or.th/labor_info03\(en\).php](http://www.thai-frozen.or.th/labor_info03(en).php) for Thai Frozen Food Association efforts to combat child and forced labour [accessed 19 Feb. 2016].

Figure 2. Thai shrimp supply chain¹³



¹³ Cost figures are taken from Amporn Laowapong, Department of Fisheries Ministry of Agriculture and Cooperatives Thailand for the FAO Value Chain Project Workshop, University of Tokyo (9–11 December 2011).

3. Decent work deficits in the Thai seafood industry

Decent work deficits found in the Thai seafood supply chain reflect the complexities of the industry. Various reports and anecdotal evidence point to various deficits in different stages of production. These deficits in Thailand, as elsewhere, range from relatively “simple” issues, such as not granting sick leave or holiday pay, to gross abuse and exploitation, as in outright forced labour and human trafficking. Despite Thailand’s ratification of ILO Conventions on child labour and forced labour, related core labour rights violations remain an issue in its seafood industry.

Considering the persistence of decent work deficits in the Thai seafood industry against the economic growth and sector upgrading apparent over the past three decades, it is clear that improved economic circumstances have not automatically led to social upgrading throughout the entire supply chain. Instead, some workers (e.g. migrant fishermen on long-haul vessels) may have become increasingly vulnerable to exploitative and abusive practices.

Most workers in the Thai seafood supply chains are migrants, primarily from Cambodia and Myanmar, although employment of locals from the poorest regions of Thailand (e.g. the Northeast) remains prevalent (EFJ, 2015). The Department of Employment estimated there were 1.3 to 2 million undocumented immigrant workers in Thailand, bringing the total number of immigrant workers to around 3 million (Asia Foundation and ILO, 2015). Jobs undertaken by employees in the sector are often inherently dangerous (work at sea, heavy lifting, dangerous machinery, repetitive movement). Work in the sector is considered dirty and hard, and is often poorly paid. Employment in fishing, aquaculture, and seafood processing generally involves unskilled work. With rising levels of education in Thailand, work in the fishing and seafood processing industry has become increasingly unattractive to Thai workers, leading to significant labour shortages. Labour brokers play a key role in securing sufficient labour for the seafood industry, and some of these brokers resort to human trafficking to supply sufficient human resources. Anecdotal evidence points to human trafficking being a particular concern for ocean-going vessels that stay at sea for long periods, using transshipment for off-loading catch and receiving supplies.

3.1 Decent work deficits in primary production stages: Fishing and aquaculture

As suggested in the introduction, above, working conditions in the fishing sector are poor and often characterized by labour rights abuses.

Allegations regarding physical abuse on boats are common. The ILO survey on labour conditions in the fishing sector – the largest survey conducted on this subject to date, using a stratified sample of almost 600 fishers employed on Thai vessels – indicated that 10 per cent of workers were beaten while on the job (ILO, 2013b). Cambodian and Myanmar fishermen who were interviewed reported seeing their co-workers attacked and, in some cases, killed by captains when they were too weak or sick to perform (Robertson, 2011).

Written contracts, previously not required in the fishing sector under Thai law, however, went largely unused by Thai fishing boat owners, who preferred verbal agreements (Thai MOL, 2013). As of 30 December 2014, the new Ministerial Regulation on Labour Protection in Sea Fishery Work B.E. 2557 came into force to ensure better working conditions on fishing boats (DLPW, 2011). This regulation (presented in more detail in chapter 1) mandates the use of written contracts and protection for all commercial vessels regardless of the number of crew members and the length of time spent outside Thai waters. Furthermore, it forbids employment of fishers younger than 18 years of age.

Fishers still lack effective freedom to defend their labour rights to further improve their working conditions. Traditionally, the practice of social dialogue in Thailand is relatively weak, and the laws impose restrictions on migrant workers' rights to organize. Hence, migrant workers have little individual or collective voice, and tend to either simply tolerate prevailing conditions or else have very few options other than to accept these conditions.

Enforcement of laws and regulations, including the new Ministerial Regulation No. 10, remains a challenge when dealing with long-haul fishing boats, given the typical remoteness of their operations and the long periods spent at sea. In terms of labour conditions, workers generally prefer short-haul fishing boats, which mainly operate in the Gulf of Thailand, because they are at sea for shorter periods, which can entail more frequent wage payments, plus there is less risk of being cheated, since they have more opportunities to disembark and join their families or communities. Fishing boats going to foreign waters, e.g. in Indonesia or Malaysia, are associated with a higher incidence of trafficking, given that trafficking mainly affects long-haul fishers. One survey showed that 16 per cent of workers declared that they had been working on a fishing vessel against their will; that proportion rose to 25 per cent among respondents who were at sea for longer than a month (ILO, 2013). Research from a Thai NGO found that, among 67 Thai men trafficked to work on fishing boats, nearly all were placed on boats going overseas (Mirror Foundation, 2011). A common practice among commercial fishing enterprises based out of Thailand is to engage in transshipment through the use of "supply boats", which collect caught fish and provide boats with fuel and other supplies, which means fishing vessels have to return to land less often. Transshipment is frequent with long-hauls, and may contribute to fishers being enslaved at sea for periods of two to three years – even, in extreme cases, for as long as nine years (EJF, 2014). In such circumstances, it is impossible for fishermen to leave, even where working conditions might be unbearable.

Box 6
More on bonded labour and trafficking

Research from the NGO Labour Rights Promotion Network (LPN) finds a direct connection between the "travel now, pay later" system and the trafficking of men onto fishing boats (Robertson, 2011). Consequently, trafficked fishermen must work to pay off their outstanding debt, or *ka hua*, before being paid any wages. Depending on the size of the *ka hua*, a trafficked fisherman might work for from one to eight months before receiving any payment. The shortage of labour for commercial fishing means that brokers are able to sell migrants to captains for between 10,000 and 30,000 Thai baht (THB) (US\$358–1,074) per person.* For example, four major brokers in the Samae San area purchase migrants for approximately THB11,000 (US\$394) each and then keep them locked in rented rooms till they can be sold on for around THB25,000 baht (US\$895) per person to fishing boats located on four private piers in the district.

* Exchange rate current as of when the Robertson report was prepared (2011).

In aquaculture, issues tend to revolve around shifts that average 14 hours per day (CSR Asia, 2014), seasonality of work which leads to insecure employment, and migrant registration status. Other concerns include OSH issues and general working conditions, among these timely payment of wages and transparency regarding deductions from a worker's pay.

3.2 Decent work deficits in processing

Decent work deficits in seafood processing operations tend to be similar to those in aquaculture. Some of the critical issues that have been identified as requiring ILO Good Labour Practices (GLP) Programme support (see below) include: timely and accurate payment of wages; sufficient workers' representation; promotion of social dialogue; fair recruitment practices to prevent forced labour; OSH; regulated overtime; and leave entitlements.

Primary processing is often performed in small, informal economy operations, and employment is dominated by women, who sometimes bring children to assist with work at the expense of their education. Registered peeling sheds number about 200, and these are ostensibly subject to Thai regulations. Unregistered peeling sheds have been estimated at about 400, but the Labour Rights Promotion Network (LPN), a Thai NGO, reckons this figure at closer to 2,000. Of particular concern is the use of child labour in the primary processing of seafood. The IPEC project baseline study (ILO, 2011) estimated that 10,000 migrant children aged 13–15 years work in pre-processing facilities in Samut Sakhorn, which hosts Thailand's biggest shrimp processing district. These children enjoy the benefits of neither written contracts nor safety equipment. Child labourers in peeling sheds have been subject to verbal abuse from employers, discrimination, underpayment, and excessive work hours (sometimes until 10 p.m.). Women workers in these facilities may also be subject to sexual harassment. Female peeling shed workers report having been harassed and extorted by local police (EJF, 2013). Instances of corruption have also been documented, including a case where a police captain was also a peeling shed owner, employing child labour in his business (EJF, 2013). In order to prevent the use of child labour in seafood processing new legislation was put in place in late 2015. As of November 2015, workers below the age of 18 are forbidden to work in seafood processing activities.

The emergence of industrial unrest in factories has paralleled published reports by the foreign media and NGOs of abusive labour practices. In 2013, about 500 Myanmar migrants went on strike at a factory in Rayong, one Thailand's largest food manufacturers and exporters of shrimps (EJF, 2013). The issue at the heart of the strike was the dismissal of 160 migrant workers who were essentially let go due to an inadequate supply of shrimp. After meeting with the concerned stakeholders, workers were re-integrated into the factory, as their dismissal was deemed unfair (*The Irrawaddy*, 2013). Nevertheless, the event has contributed to increasing brand risks for retailers and large distributors in Europe and the United States (EJF, 2014).

3.3 Sanctions from major trading partners and future challenges

The decent work deficits, notably the use of child labour, led the US Government to place Thai shrimp on the Executive Order list of import produce that the US Government cannot use. What this means is that US Government institutions cannot serve Thai shrimp. In 2014, the US also took the substantial step of downgrading Thailand to Tier 3 on the State Department's list of how countries deal with human trafficking within, from, to, and through their countries.¹⁴ Tier 3 is the lowest possible grade, and this status is essentially due to the Thai Government's inadequate response to proliferating reports of human trafficking into Thailand for work in key sectors. The fishing sector figured prominently in the justification for the downgrade. Thailand remained in Tier 3 in the 2015 classification held by US

¹⁴ For further information regarding the US trafficking in persons (TIP) report, refer to: www.state.gov/j/tip/rls/tiprpt/index.htm [accessed 19 Feb. 2016].

authorities because, despite progress on updating legislation and ensuring coordination among various enforcement agencies, it was deemed that the Thai Government did not take sufficient action to address its severe human trafficking problem.¹⁵ The US Government did however acknowledge on-going efforts on legislative and enforcement aspects. As such, it will continue to provide specific technical assistance requested by the Thai Government related to anti-trafficking investigations and prosecutions, as well as support for building the capacity of Thai law enforcement and rule of law institutions.

Media reports appear to have increased consumer attention on the issue, while at the same time, encouraging local authorities to take action. For example, the Associated Press has been incentivising and supporting Indonesian authorities to conduct investigations on cases of human trafficking and forced labour at sea. As a result, in March 2016, five Thai fishing boat captains and three Indonesians were found in a remote island village and sentenced to three years in jail for human trafficking in connection with slavery in the seafood industry.¹⁶

Following increasing awareness-raising campaigns from the media, US consumers' attention has started to translate into concrete action. Three California law firms promoted a class action against a US retailer that bought and resold Thai prawns farmed using fish feed coming from ships allegedly manned by slaves. Investigations found that the world's largest prawn supplier, a Thai company, was engaged in such practices. The US retailer was therefore accused of indirectly encouraging violations of human and labour rights on Thai fishing vessels by using a Thai company applying poor labour practices as its main supplier for prawns. The case was dismissed in January 2016¹⁷ but demonstrates that consumers are willing to take legal action, using new legislation that is increasingly emerging in the major market states. Two other class actions suits have also been filed by a group of pet-food buyers who have accused two leading multinational corporations of using input suppliers in Thailand whose ingredients can be traced back to slave labour in the seafood sector. These lawsuits are currently under review (Lawrence, 2015). One of the two companies under investigation has admitted the existence of forced labour in its seafood supply chain, following investigations commissioned by an independent NGO. As a result, the multinational company has committed to releasing on its website a detailed, year-long solution strategy throughout 2016 to protect victims of labour rights abuses in its supply chains. In a greater move towards transparency, the company has promised to publicly report its progress on the matter every year.¹⁸

Following increasing media and consumer denunciations, a US Senator has proposed a Bill to introduce greater transparency and accountability in corporate supply chains. If such legislation is passed, it will require companies to disclose their anti-trafficking policies and ensure their supply chains are free from slavery and human trafficking.¹⁹ This would strengthen the effectiveness of the Trade Facilitation and Trade Enforcement Act (signed by the Obama Administration in February 2016), which contains a provision that will ban imports of fish caught by slaves in Thailand and elsewhere in South-East Asia, closing a loophole in the 1930 Tariff Act that failed to keep products of forced and child labour out of the United States. Under this new regulation, Customs can start an investigation if they receive a

¹⁵The 2015 TIP Report covers governments' anti-trafficking efforts from 1 April 2014 through 31 March 2015. More information available at <http://bangkok.usembassy.gov/tip2015statements.html> [accessed 19 Mar. 2016].

¹⁶<http://bigstory.ap.org/article/ca46348affb142c8bb29a0bbbed8670d5/8-men-sentenced-3-years-jail-enslaving-fishermen> [accessed 19 Mar. 2016].

¹⁷ http://blogs.findlaw.com/california_case_law/2016/01/costco-slave-labor-suit-dismissed.html

¹⁸ More information available at www.theguardian.com/global-development/2015/nov/24/nestle-admits-forced-labour-in-seafood-supply-chain [accessed 19 Mar. 2016].

¹⁹More information available at www.maritime-executive.com/article/us-consumers-in-seafood-slavery-lawsuit [accessed 19 Mar. 2016].

petition from a business, an agency or even a non-citizen showing "reasonably but not conclusively" that imports were made at least in part with forced labour.²⁰

In 2015, the UK Government passed the Modern Slavery Act. A supply-chain clause was added to the draft bill, one designed to force multinational corporations to make public their efforts to stop the use of slave labour by their suppliers. From October 2015, the "transparency in supply chain provisions" require corporations with an annual turnover of £36–40 million or more to publish an annual statement declaring that their supply-chains are free of slavery and human trafficking. Currently, however, no legally binding requirements provide for due diligence regarding supply chains, and there are no criminal or financial sanctions in cases of non-compliance.

In 2015 the EU issued a "yellow card" to Thailand for its inadequate response to IUU by Thai fishing vessels and the resulting environmental devastation (EC, undated). The "yellow card" could turn into a "red card" resulting in an import ban on Thai seafood products, if the EU assesses that the Thai industry is non-compliant with international fishing regulations. While the EU yellow card is a response to persistent IUU fishing in Thailand, in its justification the EU indicated that continued violation of key international labour standards weighed into the decision to issue the yellow card (EC, 2015).

In fact, fish stock management in Thailand has been inadequate and fish stocks are overexploited. Studies conducted in the upper Gulf of Thailand concluded that catch rates have plunged from 298 kilograms per hour in 1961, to 49 kilograms in 1982, to 23 kilograms in 1992, and to 14 kilograms in 2006. Much of the IUU activity occurs in exclusive economic zones (EEZs) established in the 1980s. Thailand's EEZ covers a total area of 420,280 square kilometres, and especially where this overlaps Cambodian, Malaysian, and Vietnamese territorial waters law enforcement mandates appear indistinct. An estimated 60 per cent of the Thai fleet's total marine catch comes from waters inside this EEZ, with 41 per cent sourced from the Gulf of Thailand and 19 per cent from the Andaman Sea. The remainder is caught in international waters outside of Thailand's fishing waters (FAO, 2009). The apparent extent of IUU activities in the Thai fishing industry makes traceability of the catch an important issue for sustainable fishing in the country.

International trade unions have also taken action against the use of forced labour in the Thai seafood industry. Notably, the International Transport Workers' Federation and the International Trade Union Confederation submitted a case to the ILO against the Government of Thailand, accusing it of being in violation of Convention No. 29 on forced labour (ratified by Thailand in 1969). Despite the acknowledgment of efforts made by the Thai Government to update relevant legislation, the unions claim that regulatory gaps are still present and that Thai authorities are failing to ensure effective enforcement of existing legislation.²¹

Figure 3 summarizes the labour challenges present in the Thai seafood sector across production stages. Any credible attempt to safeguard decent work in the Thai fisheries sector must include multiple strategies, including the following:

- improved labour and migration management, both to fill labour shortages and to ensure proper recruitment and protection of migrant workers;
- measures to address environmental degradation, overfishing, and IUU activities to preserve the resource base of the industry;

²⁰More information available at www.usnews.com/news/us/articles/2016-02-24/obama-bans-us-imports-of-slave-produced-goods [accessed 20 Mar. 2016].

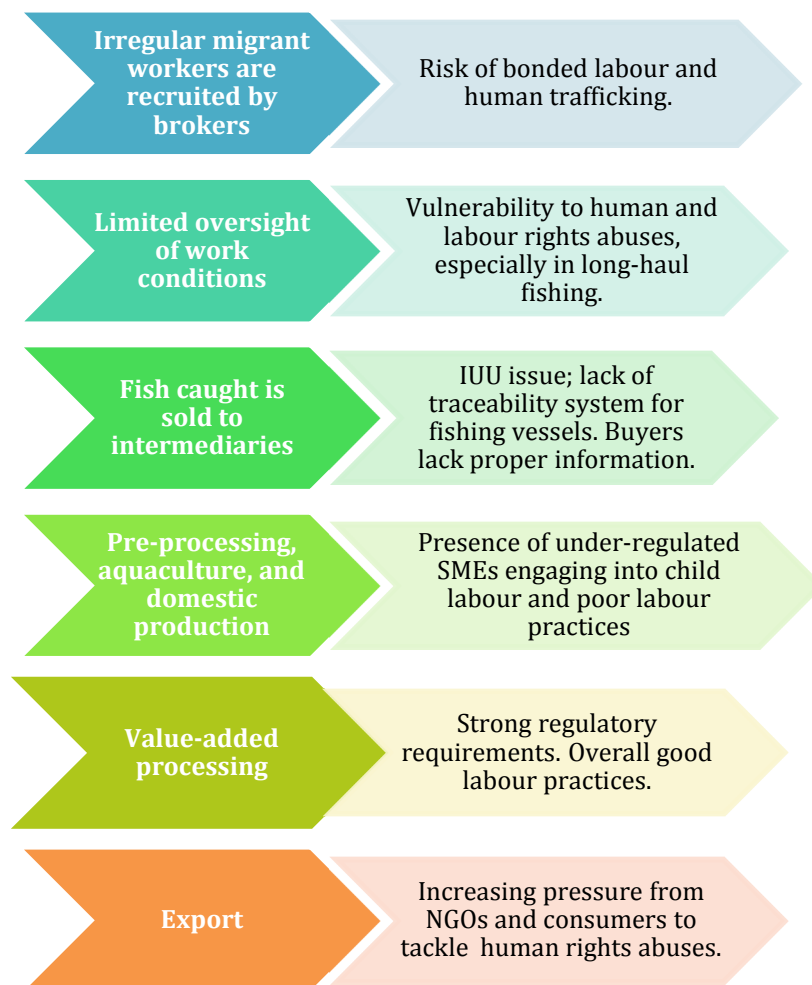
²¹More information available at: www.itfglobal.org/en/news-events/press-releases/2016/february/forced-labour-in-thai-fishing-global-unions-lodge-ilo-complaint/ [accessed 20 Mar. 2016].

- improved inspection procedures involving not only vessel registration and food safety standards, but also labour conditions and criminal activity; and
- ways to reach out to (migrant) workers and inform them of their rights, at the same time informing employers of their responsibilities.

The Government of Thailand took very important steps to implement such strategies during 2015 and 2016 but it must be stressed that deep seated decent work deficits will require sustained attention from the Government, and from all other concerned stakeholders, over the coming years to secure a sustainable end to exploitative practices. Legislative change is a critical first step that must be followed by improved enforcement and changes to business practices and mindsets.

Governance, both public and private, is an essential element in applying these strategies. Law enforcement by government authorities as well as due diligence and improved systems and practices among business operators are fundamental for ensuring decent work in the seafood industry. In this regard, transparency in operations and in public sector oversight is essential, if export markets and consumers are to have confidence in the industry and to ensure that workers have full information about their rights, as well as the ability to act to protect themselves against abuse and exploitation.

Figure 3: Production stages and labour challenges in the Thai seafood sector



4. Thailand's emerging competitors

Other countries in Asia are increasing their fisheries production and supplying GSCs. This section examines related issues in Bangladesh and Viet Nam, two of Thailand's emerging seafood export competitors.²² Major challenges remain in these two countries despite their strong economic growth, mostly because of their lesser levels of economic development and related shortfalls in both physical and human capital.

Box 7 Viet Nam

Viet Nam has significantly increased its seafood production and exports over the past decade. In 2010, fish production rose to 5.2 million tonnes, an increase of 406 per cent relative to 1990, earning more than \$5 billion in export revenues. Continued aquaculture expansion explains the greatest part of this growth, having increased from a 30 per cent share of the sector in 1990 to 52 per cent in 2010 (CSR Asia, 2014; FAO, 2011).

Despite rising domestic demand related to rising Vietnamese incomes, most fishery products were still being exported to higher-income countries. Viet Nam's rising exports are linked to its flourishing aquaculture industry, in particular to the production of *Pangasius* catfish and both marine and freshwater shrimps and prawns. Around 10 per cent of Viet Nam's population earn their livelihoods from fishery (FAO, 2011). Thus Viet Nam posed a serious challenge to Thai dominance of seafood exports. Challenges remain, however, since Vietnamese exports are driven primarily by aquaculture by small-scale farmers. An estimated 250,000 small farmers face challenges in expanding operations, mostly because of credit limitations. Processing for export takes place in 479 government-approved facilities subject to inspection (CSR Asia, 2014).

Transport and logistics still present a barrier to expanding production and trade in Viet Nam. Poor road infrastructure means that many small-scale buyers travel by boat from farm to farm collecting from each location, often in small (10–20 kilogram) quantities. Buyers then sell on to collectors who supply processing facilities (CSR Asia, 2014). Processing plants in Viet Nam are often integrated with exporting enterprises (vertical integration). This generally leads to greater transparency and higher levels of regulation in processing, again resulting in better labour conditions. This also means that concerns about traceability of the seafood that are prevalent in Thailand may be less pronounced in Viet Nam. Moreover, Viet Nam's fishing and seafood industries tend to employ mainly local labour (World Bank, 2005), decreasing the risks of trafficking and labour exploitation through the use of migrants. In addition, Viet Nam has shown environmental commitment: strong regulatory and industry pressure brought the practice of converting mangrove areas to shrimp ponds to a halt two decades ago. Allegations of bad environmental practices in the Vietnamese catfish industry from the World Wildlife Fund (WWF) in some European countries was another factor. Most catfish companies have since made efforts to apply Aquaculture Stewardship Council (ASC) standards in their farming practices (FAO, 2011). As illustrated in the World Bank sector study on fisheries and aquaculture, the Vietnamese Government has also promoted initiatives to improve working and living conditions among labourers in the sector (World Bank, 2005). The national programme for poverty reduction has also been extended to poor communities in coastal provinces, whose livelihood is often dependent on inland fishing and aquaculture.

Viet Nam is thus emerging as a key player in global shrimp supply chains. In August 2015, negotiations for an EU-Viet Nam free trade agreement (FTA) were successfully completed. The resulting lower trade costs are expected to lead to a substantial increase in export volume, thereby exerting strong competitive pressure on Thailand.

²² Other emerging seafood exporting countries include Cambodia, India, and Indonesia.

Box 8
Bangladesh²³

With the world's largest flooded wetlands and the third-largest aquatic biodiversity in Asia, second only to China and India, Bangladesh provides one of the world's most suitable environments for aquaculture and fisheries. Bangladesh is home to roughly 320 different fish species, and thus enjoys a significant advantage in the seafood industry, with the potential for more development (Golub and Varma, 2014). An estimated 15 million people (of a total population of 155 million) are either directly or indirectly employed in the fishing sector, and 73 per cent of rural households are involved in aquaculture (Golub and Varma, 2014). Inland pond culture represents the most important aquaculture segment, contributes about 86 per cent of total production. Bangladesh has around 130 deep-sea fishing trawlers, 22,000 mechanized fishing boats, and 25,000 non-mechanized boats. Fish and derivative products supply 60 per cent of animal protein and about 3 per cent of total national export earnings (Ghose, 2014).

The seafood supply chain in Bangladesh tends to be highly fragmented and complex. Fishers are unable to distribute fish themselves because of poor transport networks, and because of insufficient public cold-storage facilities, clean water, and reliable electricity. Although Bangladesh is the 15th-largest capture producer in the world and the 5th-largest aquaculture producer, it ranks 39th in world fish exports (Golub and Varma, 2014). This relatively low export performance stems from an underdeveloped processing sector.

Currently, 133 fish processing plants are operating in Bangladesh, of which only 74 are approved for export to the EU. Fish exports mainly comprise frozen shrimps and prawns, which accounts for 66.5 per cent of annual fish exports in terms of volume and 84.6 per cent of total value in 2010 (BBS, 2010). But Bangladeshi fish exporters have faced many problems meeting HACCP standards (BBS, 2010; FAO, 2012). Indeed, the EU banned seafood imports from Bangladesh in 1997, as inspections revealed poor infrastructure, deficient hygiene practices, and a lack of proper government inspection along the supply chain. The ban incentivized the industry to take action, and Bangladesh is now one of the few least developed countries (LDCs) approved to export fish products to the EU. More recently, about 85 per cent of processors-cum-exporters have implemented HACCP standards throughout their supply chain (Uddin, 2008). Moreover, ever since the US Commerce Department increased tariffs on shrimp imports from China, Ecuador, India, Malaysia, and Viet Nam (because their governments provide huge subsidies to farmers), Bangladesh enjoys better access to the US market than do competitor countries.

Nevertheless, Bangladesh still faces significant export barriers due to poor management practices among local stakeholders (Dey et al., 2010). Poor traceability also remains a challenge to exports (in particular in the EU because of EC Regulation 178/2002 requiring a proven traceability system), and is associated with the high number of dispersed small suppliers as well as a complex and irregular system of intermediaries. Child labour and human rights violations allegedly appear throughout Bangladesh's complex and fragmented seafood supply chain, particularly in the shrimp subsector. An FAO-ILO study reports child labour in shrimp de-heading in Bangladesh (FAO-ILO, 2013). Since children are required to work excessive hours (commonly nine hours without a break), they are prevented from attending school. Child labourers are frequently cheated on their pay, subject to sexual abuse, and provided with no medical assistance, even with the frequent skin cuts that present an occupational hazard. In addition, even though domestic and foreign demand substantially surpasses supply, processing plants operate at only 20–25 per cent of capacity because of declining shrimp harvests due to overfishing (Dey et al., 2010).

See more at: www.dhakatribune.com/commerce/2014/jan/14/frozen-food-export-rises-30#sthash.gLJqOjis.dpuf [accessed 29 Jan. 2016].

²³ For more on this, see *Sustainable Aquaculture Magazine*: "US duties lead to market opening for Bangladesh shrimp exporters", 27 Aug. 2013. Available at: www.thefishsite.com/fishnews/21107/us-duties-lead-to-market-opening-for-bangladesh-shrimp-exporters/ [accessed 29 Jan. 2016].

5. Addressing decent work deficits in the Thai seafood supply chain

5.1 Regulatory framework and enforcement challenges

Thailand has ratified a number of key international Conventions prohibiting labour exploitation, including ILO Conventions relating to child labour and forced labour. Thailand has not, however, ratified Convention No. 188 on work in fisheries nor the core Conventions on freedom of association and the right to collective bargaining. In June 2015, the Thai Labour Minister announced the Government's intention to better protect workers in the sector through the ratification of Convention No. 188 (MOL, 2015). A gap analysis is being considered to assess the extent to which adjustments in national legislation needs to be made in order to enable ratification of Convention No. 188. The ratification of non-sector specific ILO Conventions can also positively affect labour conditions in the Thai seafood industry; this includes the ratification of Convention on Discrimination in Respect of Employment and Occupation, 1958 (No. 111). Moreover, it is expected that the Convention on a Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187) will be ratified in 2016.

The core legislation regarding the fisheries sector is the Thai Fisheries Act, B.E. 2490 (1947). Section 56 of the Act provides government officials with the right to board and inspect fishing vessels for certain purposes (mainly equipment inspections), but these do not include issues related to fishers/personnel. Department of Fisheries (DOF) under the Ministry of Agriculture and Cooperatives (MOAC) is responsible for licensing types of fishing gear and equipment. The Royal Thai Marine Police (RTMP) is the leading law enforcement agency at sea, with authority to board and search vessels in coastal waters (defined as the zone extending 12 kilometres from shore), and should ideally play the most prominent role in suppressing human trafficking on fishing boats. The RTMP does not have the legal authority to formally investigate and refer cases for prosecution; this authority lies with the local police (*phu torn*). In May 2015, the Command Center for Combatting Illegal Fishing (CCCIF) was set up for the purpose of leading and effectively coordinating interagency inspections in both fishing vessels and seafood processing plants. This is a key step towards improved law enforcement but it is still too early to fully assess the impact of the CCCIF on working conditions on board vessels and in the processing industry.

The Labour Protection Act of 1998 (LPA) sets out minimum standards for wages and working conditions; it also provides for collective bargaining agreements between workers and employers. Although Thailand has not yet ratified Convention No. 188, it has played an influential and important role in updating domestic legislation and providing more protection for fishers. The Ministry of Labour has revised Ministerial Regulation No. 10 on Labour Protection in Sea Fishery Work (which took effect in December 2014) to re-assert existing provisions and meet international standards, including Convention No. 188. The Ministry of Labour closely engaged with the ILO through its GMS TRIANGLE project in drafting the regulations. The revised regulations include the following provisions:

- employment of workers younger than 18 years is prohibited;
- the Labour Protection Act stipulates strict minimum rest hours and holidays;
- written and signed contracts should be provided to workers (and these must be checked by labour inspectors);
- mandatory annual employers' reporting of fishers to the Ministry of Labour;

- mandatory crew list, if more than ten fishing workers are hired;
- minimum wage in accordance with Thai law;
- employer notification of workers' rights and adequate training in safety procedures; and
- in cases where fishing workers are abandoned on foreign shores because of under-performance, employers must pay them 50 per cent of the minimum wage for their whole period of stay abroad.

Ministerial Regulation No. 10 applies to all commercial fishing boats regardless of size with more than one crew member on board (Royal Thai Embassy, 2015). In addition to such provision (introduced in December 2014), a new Ministerial regulation of the MOL became effective in January 2016, banning workers below the age of 18 from employment including employment in seafood processing activities.

While the adoption of Ministerial Regulation No. 10 can be seen as a major milestone, inspection systems and enforcement of the regulatory framework on board fishing vessels and in seafood processing has been a greater challenge, especially because many of these operations were not licensed. Inspections are complicated by low levels of registration among boats and primary processing units; relatively large numbers of undocumented migrants in the sector; and multiple enforcement agencies with jurisdiction in the sector.

Inspections have been conducted in response to specific complaints regarding suspected criminal activity, and are generally limited to the formal economy. As of 2011, there were 605 labour inspectors in Thailand, and they were responsible for monitoring conditions in 366,325 registered workplaces that employed 7,898,265 workers. (ILO, 2015c) The US State Department Trafficking in Persons Report 2014 claimed that inspections in 40,963 workplaces failed to identify any suspected trafficking cases. In response to such allegations, the creation of the CCCIF has led to interagency inspections of 39,129 fishing vessels in 2015 (representing 92 per cent of the total Thai registered fishing vessels) and 474,334 fishing workers (90 per cent of the total number of officially counted fishers in Thailand). Furthermore, 8,024 fishing vessels had their licenses revoked in November 2015. However, given the high level of informality present in fishing and the limited capacity of Thai authorities to carry out appropriate inspections at sea, more sustained and systematic efforts are required and the full impact on working conditions of the establishment of the CCCIF may not materialise for some time to come.

Thailand is making progress in terms of enforcement mechanisms for effective fishing workers' protection. The 2012–2013 Anti-Human Trafficking Action Plan of the Royal Thai Government explicitly refers to the need to improve labour inspections. In previous years, the Department of Labour Protection and Welfare (DLPW) had been working with the ILO to strengthen labour inspections to better protect vulnerable workers.

Effective law enforcement and compliance requires a clear definition of key concepts contained in the legislation. Following such need, on 13 November 2015, the Ministry of Labour held a multi-stakeholder meeting on interpretation, where clear legal definitions of “forced labour” and “debt bondage” were adopted based on the ILO's forced labour indicators, the 1956 Supplementary Convention on the Abolition of Slavery as well as Anti-Human Trafficking legislation present in Singapore, US and Australia. These definitions were added into two new handbooks issued by the MOL, one for inspectors and another for employers and workers in the sectors.

In November 2015, the Thai Government adopted the Royal Ordinance on Fisheries B.E. 2558, which establishes a more comprehensive regulatory and law enforcement system in order to combat IUU fishing and better protect victims of forced labour and human trafficking in fishing boats and seafood

processing plants. These goals are planned to be achieved through five mechanisms including a licensing system, vessel monitoring system, vessel inspection, traceability system and effective law enforcement. Sanctions have been put in place against boat owners and factory operators found in violation of national labour legislation. Furthermore, an *ad hoc* Special Legal Committee has been established to draft new related legislation and recommend policy measures which would enhance the effectiveness and efficiency of the judicial process to protect victims of human trafficking and forced labour. In order to better protect victims of the worst forms of child labour, the Special Legal Committee has come out with a new provision to classify serious forms of child labour—which include all forms of work in sea fishing and seafood processing— as a trafficking offense. It is expected that such provision will enter into force by the end of 2016, following amendments to the Anti-Human Trafficking Act B.E. 2551 (2008).

Inspection procedures are currently in place both in ports and on board vessels. Since May 2015, 28 Port In-Port Out (PIPO) Controlling Centres have been established in coastal areas, and are responsible for controlling outgoing and incoming fishing vessels at ports. At PIPO Centres, members from a variety of departments conduct inspections within their respective areas of responsibility, including personnel from the Royal Thai Navy, the Marine Department, DLPW, the local police, the Department of Provincial Administration, and the local Fishery Association. On-board inspections are being conducted in 22 coastal provinces, and an inspection form is provided to officials to report instances of child labour, forced/bonded labour, and trafficking. When vessels leave port, PIPO procedures require them to present crew lists, copies of all crew IDs and contracts, and other documents. Where labour abuses are identified, vessels are prevented from leaving ports, potential victims are rescued immediately and the employer is legally prosecuted. However, there are reports that PIPOs inspections are not always being carried out with sufficient rigour (EJF, 2015b).

Still, this is evidence that the Department of Fisheries, the Department of Labour, and the Marine Police have taken important steps towards conducting multi-disciplinary inspections in the sector. This initiative began in 2014 under the Ministry of Labour, drawing on experiences in Brazil, which adopted a Special Mobile Inspection Group in 1995. It remains too early to fully assess the impact of the initiative in Thailand.

Legal and enforcement initiatives to eliminate IUU fishing also promote better labour-related inspections. In addition to the PIPO system, a vessel monitoring system is required on vessels with gross tonnages (GTs) of more than 60 (which often fish overseas). Better control is in store for both mother ships and supply vessels (used for transshipment), allowing the authorities to more surely locate any given vessel, which can facilitate inspection. Tighter regulations will apply where vessels heading out on sea will not be permitted to leave port if they do not hold correct licenses. Another proposed measure is that an observer must be stationed on board of all Thai fishing vessels operating outside Thai waters. In case a boat owner is found employing personnel without valid work permits at sea, the owner would have his fishing license revoked and would face a fine of 800,000 Thai baht (THB) (US\$22,437) for every seaman found without valid work permit. This may help to address the issue of abuses arising from labour shortages in the sector, reducing incentives for brokers and employers to coerce or deceive people into working on board fishing boats.

The sanction system has also been strengthened in seafood processing plants. If illegal workers – including migrant workers without valid work permits - are found, the same penalty of THB800,000 per worker shall apply. If more than 5 illegal workers are found in a factory, its operations will be permanently closed whereas if less than 5 illegal workers are found, factory operations will be suspended for 10-30 days. Additionally, in case employers are in violation of labour protection legislation, they shall be subject to imprisonment (not exceeding two years) and/or face a fine which

can range from THB200,000 – 2,000,000 (US\$5,609 – 56,091) in conjunction of a daily fine ranging of THB100,000 – 500,000 (US\$2,805 – 14,023).

The ILO, through its TRIANGLE and IPEC projects in Thailand, has supported training of labour inspectors to help them to identify and respond to child labour, forced labour, and trafficking in fishing and seafood processing. Part of the training involves learning to choose appropriate responses and to provide referrals to those who can provide, among other things, legal aid, health care, educational opportunities, and repatriation services to victims identified during inspections. Legal practitioners, doctors, and teachers may not need to board fishing vessels or enter processing plants, but they play critical roles in ensuring an adequate response, and those who have the inspection mandate must know how to mobilize their services. Experience from Thailand (and elsewhere) provides a clear lesson: law enforcement through inspections and prosecutions is necessary, but insufficient in itself. Law enforcement must be tied to protection measures and access to social services for victims of labour exploitation.

Since 2014, the Royal Thai Government has taken important steps towards regularizing migration. A one-stop drive was established in June 2014 wherein documented migrants and their employers could apply for temporary registration. The registration granted migrant workers and their dependants' legal stay in Thailand, access to social services such as health care, and a temporary work permit. The expectation is that regular permits will be processed while the temporary permit is valid, and Thailand will improve its migration management system for the benefit of migrant workers and Thai employers alike. From April 2015, temporary centres started being replaced by more permanent migrant one-stop services. Two registration rounds took place between April 2015 and January 2016 in those centres. Additionally, one stop service centres were set up in all 22 coastal provinces to specifically register workers in seafood processing operations between 25 November 2015 and 22 February 2016. As of 25 February 2016, over 130,000 undocumented migrant workers in the seafood sector were registered (including their dependents). The Thai Government granted a six-month extension for registration of migrant workers in the sector on 2 February 2016, to facilitate their regularization and further eliminate forced labour in the seafood industry. This extension applies to nationals of Cambodia, the Lao People's Democratic Republic and Myanmar who entered Thailand illegally. The more efficient, more accessible, registration procedures are being combined with negotiation of bilateral agreements with countries of origin for most migrant workers in Thailand.²⁴ For instance, Thailand has signed bilateral MoUs on labour importation with Cambodia and Vietnam and is reviewing its MoUs with Myanmar and the Lao People's Democratic Republic.

Once migrant workers are officially registered, they are entitled to full labour rights in Thailand. Since 2 November 2015, migrant workers in sea fishing and seafood processing are allowed to change employers within these two sectors, with no limit on the number of changes of: (i) employers; and (ii) provinces. Moreover, migrant workers involved in other sectors are allowed to move to work in sea fishing and seafood processing activities.

Experience from ILO projects indicated that boat owners were reluctant to pay the registration fee because fishermen change employers often, and owners preferred not to commit money for a crew member who might leave. Some employers, reportedly, confined workers to boats or in dormitories when they were short of labour to “keep them from running away”, effectively engaging in forced labour. Inflexible registration procedures were not only causing harm to employers, but also to workers. When work permits used to be tied to a specific employer, some workers chose not to register, since registration would make it more cumbersome for them to change to a new job with better conditions or

²⁴ More information available at: www.mekongmigration.org [accessed 2 July 2015].

to run away from an abusive employer. As a result, the Thai Government has taken concrete steps to ensure that sufficient labour is available for the industry and that registration is easy and low cost. The cost of registration of each migrant worker has been reduced by half, from THB1,800 (US\$50) to THB900 (US\$25). Also, the time to renew work permits has been reduced from four years to only one month. The government is planning to extend the length of work permits from one to two years, renewable for up to eight years (2+2+2+2).

Another issue that Thai authorities need to consider is stronger regulation of recruitment practices for migrant workers in fishing and seafood processing. A poorly regulated network of informal brokers, subcontractors and manning agencies facilitates criminal activities and labour exploitation among poorly protected groups of migrants. In this context, The Recruitment and Job-Seekers Protection Act, B.E. 2528 (1985) requires some updates to place a stronger oversight capacity over the complex networks behind recruitment practices that affect Thailand and its neighbours Myanmar, Cambodia and Indonesia. In order to achieve stronger regulation of the recruitment practices, a new Royal Ordinance is being drafted on the matter and it is expected to be submitted by April 2016. The ordinance will ensure that recruitment agencies must apply for license and comply with labour protection laws. Additional efforts are needed to focus on building the necessary inspection capacity in a way that local authorities are able to identify illegal recruitment networks and enforce legislation appropriately.

The use of more sophisticated labour legislation and enforcement measures to protect fishing workers needs to be accompanied by appropriate transparency and accountability mechanisms. Gaps in governance and the application of the rule of law contribute to the abuse of workers in the seafood sector. As indicated in the US Trafficking in Persons 2014 report (US State Department, 2014), employers were rarely punished for labour rights abuses. Other reports illustrate how corruption remains widespread, with migrants often seeking to avoid interaction with Thai authorities for fear of extortion, detention, and deportation (EJF, 2014; 2015a). For years, thousands of vessels, despite their not being properly licensed, have not been prevented from going to sea to fish.

Following severe public denunciations, in October 2015, the Thai Government passed “Administrative Measures to Prevent Public Officials’ Involvement in Human Trafficking”, requiring officials across the country to constantly monitor and report episodes of suspected complicity among members of their units. Such regulatory measures place direct responsibility on the heads of all government agencies at all levels to ensure that no public official is involved in human trafficking. In 2015, 29 officials were found guilty and are currently facing disciplinary and criminal sanctions for their complicity in trafficking.

Additionally, Thailand has become the first country in South-East Asia to have specialist trafficking agencies in every step of the criminal justice process. The government has taken steps to expedite the adjudication of human trafficking cases, to better protect and compensate victims, including workers subject to forced labour in fishing vessels and seafood processing plants. From January to November 2015, of the 169 human trafficking cases with verdicts already rendered by a court, 67 per cent were completed by the court within a year. Furthermore, the government has increased the budget to allocate to Criminal Courts in order to ensure a less burdensome legal process for victims and witnesses.

These recent reforms have succeeded in creating a better legal and enforcement structure to address IUU fishing, human trafficking and labour rights abuses in the Thai seafood sector. However, such structure risks becoming an empty shell if concrete action is not taken by the Thai authorities. Episodes of human trafficking and labour rights abuses are still being reported by the media and especially concern Thai fishing vessels outside Thai waters. The high informality and limited traceability present in the sector remains a challenge, which can be addressed by the Thai Government through cooperation

with its neighbours and through international actors' support and, most importantly, through a sustained commitment at national level to pursue justice and transparency in seafood supply chains.

Limited workers' rights also act as a barrier in achieving the elimination of labour rights abuses by Thai employers. If workers are unable to organize and negotiate collective demands with employers and to hold the State accountable, the State, businesses, and other stakeholders may have little incentive to push for changes in working conditions at a broad national level (Amengual and Chirot, 2015). In Thailand, the workers' right to collectively organize to express their interests to employers is not yet widely accepted. Serious measures to legally guarantee these essential rights are so far lacking. According to the International Trade Union Confederation (ITUC) ranking of a country's respect for workers' rights according to a five-point scale, Thailand places fourth, indicating "systematic violations" of labour rights (ITUC, 2015).

The 1975 Labour Relations Act is the key legal framework for managing labour relations in Thailand and for supporting workers' rights to organize and collectively bargain. This Act only applies to private sector workers in formal organizations, however; it fails to cover small-scale enterprises and the informal economy, which dominate primary production stages in Thailand's seafood industry. Only about 3.7 per cent of the total workforce in the formal private sector are members of trade unions, and the benefits of joining trade unions may appear limited to many workers (Chatrakul Na Ayudhya, 2010). The Government can restrict strikes at its discretion on the grounds of "national security" or "severe negative repercussions".

The vulnerability of migrant workers, who comprise most workers in the seafood sector, is exacerbated by the fact they face very limited labour rights in Thailand. According to Thai labour law, migrants are not allowed to create or lead labour unions, though they can join existing ones. Nevertheless, those permitted to join Thai trade unions usually do not exercise their right for fear of retaliation by their employers (Chatrakul Na Ayudhya, 2010). Workers in this sector, both Thais and migrant workers, but especially the latter, therefore tend to exercise only weak bargaining power, and readily fall subject to labour rights abuses in the workplace.

Thailand has yet to ratify the ILO Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98). Ratification of these core Conventions could open avenues to substantial improvements in workers' conditions in the Thai seafood sector, while serving as a positive signal to international markets. Effective workers' organization could also reinforce existing private sector and multi-stakeholder initiatives in the promotion of decent work in the Thai seafood supply chain.

In summary, the Thai experience clearly illustrates that establishing a coherent, up-to-date, and flexible regulatory framework is prerequisite to ensuring "clean" GSCs. Unsurprisingly, it is also clear that actual compliance and enforcement is far more challenging than passing the relevant legislation, not least because multiple actors in different fields and jurisdictions must work together towards common goals. This is particularly difficult in complex sectors with high levels of informality and mobility. With Thailand's fisheries, matters are further complicated by criminal activities in the sector. Law enforcement alone cannot achieve compliance with updated legislation. Guaranteeing access to protection and social services is essential. Moreover, ensuring that workers are effectively free to organize and bargain collectively is an absolute pre-condition for the elimination of abusive labour practices across a complex industry such as Thailand's seafood industry.

5.1.1 Integrated compliance approaches

Over the last decades, significant pressures from civil society groups has encouraged multinationals' adherence to social and environmental standards through the design and implementation of private governance initiatives. These typically include codes of conduct (COC) and third-party social auditing, and govern buyer-supplier relationships across various sectors, including the promotion of socially responsible and environmentally sustainable fisheries. Multinationals – which may often be mainly concerned about their brand reputations – have developed transnational labour regulation (TLR) in response to allegations of labour rights abuses in their supply chains (Gereffi and Mayer, 2010).

Multi-stakeholder initiatives (such as those described in the following subsections) have assumed roles in advocating improved workers' conditions in the seafood sector. However, private sector and multi-stakeholder initiatives alone may not be sufficient to meet decent work challenges. Sustainable promotion of decent work in the seafood industry requires an “integrative approach” (Kolben, 2011), where private initiatives are supported by effective state regulation and enforcement. Research suggests that transnational institutions cannot reinforce state institutions unless actors' behaviour is structured by effective workers' mobilization and formal rules (Amengual and Chirot 2015). If workers are unable to organize to make collective demands on the State, external stakeholders have little incentive or capacity to push for changes in working conditions nationally. Hence, workers in GSCs, including those in the Thai seafood sector, need to be allowed to effectively organize to raise their voices to negotiate better conditions in their workplaces. Ratification of and respect for core international labour standards is crucial to establishing effective private and multi-stakeholder initiatives at a domestic level.

Responsibility for inspections and for enforcing labour laws designed to promote decent working conditions remains with the Government. Therefore, an adequate and coherent government response is a precondition for ensuring that workers in industries supplying GSCs are not exploited. Meanwhile, traders, retailers and, not least, producers can change business practices, integrating decent work into their operations as a matter of course. This may in turn have a positive impact on workers and help to ensure compliance with the laws. This is the basic rationale behind the ILO-supported GLP programme in the Thai fisheries industry, further discussed in the next section.

5.1.2 Changing business practices: ILO-supported Good Labour Practices programme (GLP)

The ILO established the GLP in collaboration with the Thai seafood processing industry and the Government as a voluntary industry improvement programme. GLP was subsequently expanded to include workers' organizations and NGOs in both its governance structure, the GLP Task Force, and in implementation of activities under the GLP umbrella.

The GLP provides participating production enterprises with support in the following areas: awareness and understanding of labour issues; evaluating their own practices; and changing the way they operate to ensure good labour practices from recruitment and contracting through to payment of wages, ensuring safety and health, and building on a dialogue between managers and workers in the enterprise. With the inclusion of workers' organizations in the GLP, specific workers' education initiatives are now aiming to ensure that workers' representatives have the skills and knowledge needed to participate effectively in workplace dialogues.

Since July 2015, or for about two years at the time of writing, the GLP has operated on a pilot basis in primary processing units and processing factories. Pilot testing has also been conducted in shrimp farms

across a number of provinces. In December 2014, the National Fisheries Association of Thailand (NFAT), with technical support from the ILO, developed a COC for employers to ensure the protection of all workers, including migrants, in the fishing sector – another important voluntary initiative, in addition to the GLP.

The GLP pilot initiative has yielded important lessons. For instance, it has clearly demonstrated that quality facilitation and patience are needed to change mind-sets and systems and, ultimately, practices. A process-oriented approach based on facilitation is required. At the same time, the pilot has provided insights into the pros and cons of voluntary versus mandatory systems.

Compliance with the GLP is voluntary. Therefore it cannot replace law enforcement – inspections and prosecutions still need to deal with businesses that would not voluntarily embark on improving practices, businesses that might jeopardize the reputation of an entire sector. Neither is GLP a substitution for certification. But it can be a tool for those enterprises that wish to live up to labour practice certification standards. As environmental certification schemes increasingly acknowledge labour and social issues, GLP more and more represents an important potential resource for companies seeking certification.

In Thailand, the GLP has made an important contribution to social dialogue through the promotion of enterprise-level dialogue between management and all workers, including migrant workers. Migrant workers are often de facto excluded from the mandatory welfare committees required by law to facilitate dialogue between workers and management. Through the facilitated GLP process, however, workers and management identify critical issues, discuss them, and agree on appropriate courses of action. Return visits by GLP facilitators allow either party to present cases where agreements have not been implemented. Feedback from enterprises indicates that the GLP facilitator's ability to create a safe space for workplace dialogue is an essential element in effecting change.

At the national level, the GLP Task Force is probably the only fully tripartite-plus²⁵ forum in Thailand for discussion and identification of strategies to deal with labour issues in a GSC. Originally, the GLP Task Force was established as an ad hoc committee of the Department of Labour and the Department of Fisheries and Industry, both of them direct stakeholders, to oversee the development of GLP training materials. In 2014, it became apparent that, beyond this role, the Task Force had potential to become a key forum for dialogue. It also became apparent that, for the GLP to remain credible in the long run, its voluntary industry improvement programme needed a more permanent and transparent governance structure. Thus in the same year the Task Force was expanded to include trade union and NGO representatives. At the same time, buyer representatives and the ILO were accorded “active observer” status on the Task Force. A number of leading multinational companies have been engaged in discussions regarding their potential contributions, through participation in the reference group for buyers under the GLP Task Force, to improved labour conditions in the Thai seafood supply chain.

The Task Force thus evolved into a multipartite forum for social dialogue. At the same time, a multi-partner workshop was held in 2014 to draw up a roadmap for the GLP. For some of the stakeholders, the workshop presented a unique opportunity to dialogue with other stakeholders with whom they would not normally have talked. Having said this, the early stages of the multipartite dialogue have been characterized by uncertainty over processes, the need to establish mutual trust and openness, and a tendency at regular intervals to revert back to “old ways”. Thus an important lesson is that social dialogue (tripartite or multipartite) cannot be forced. Dialogue builds on trust and open communication

²⁵ “Tripartite-plus” includes NGOs and civil society organizations (CSOs) as well as government, workers’, and employers’ representatives.

lines that must be built over time. Merely establishing the structures (in this case the multipartite GLP Task Force) does not ensure effective dialogue; hence it would be naïve to expect rapid changes to ingrained patterns of non-communication and working styles.

Indeed, the ILO's global experience through almost a century has demonstrated this pattern time and time again. What is perhaps less recognized is the fact that, within a GSC framework, social dialogue is often even more complicated, with many more stakeholders and interests involved, and that therefore even more patience may be required. Moreover, instituting robust work place level mechanisms for social dialogue is one way to ensure that national and international level dialogue translates into actual changes to practises in businesses. In order to increase the effectiveness and credibility of the GLP programme, the ILO has recently agreed to provide technical support to seafood business associations to ensure: (i) stronger worker-management dialogue through more effective and representative welfare committees; (ii) sustainability and institutionalization of the GLP programme through the establishment of a semi-independent institution responsible for training, dispute resolution, monitoring, reporting and communication; as well as (iii) higher credibility of the programme through the establishment of a more data-driven and result-oriented progress reporting among partners in Thailand and internationally. Higher credibility of the GLP should be achieved by increasing the number of participating businesses to a minimum of 50 factories.

5.1.3 Other initiatives

Other initiatives, spearheaded by various stakeholders, have also emerged in Thailand in the course of 2014–15. These include the fishmeal-focused Thai Shrimp Round Table, for example, initiated by a multinational industry grouping and various international NGO-led initiatives, including a new WWF Fisheries Improvement Programme, the Anti-Slavery International's Project "Issara", and monitoring and reporting by NGOs such as Human Rights Watch and Environmental Justice Foundation.

In this regard, non-state actors have been involved in substantial cooperation with Thai authorities and businesses. For example, Project Issara provides a 24-hour hotline for anyone to report on human trafficking violations, partnering with Thai Union Group, a leading producer of seafood-based products, to help alleviate human trafficking violations in seafood supply chains. Collected information is shared with the Royal Thai Police in order to facilitate prosecution of human traffickers and labour rights violators. Also, the Environmental Justice Foundation is supporting the Thai Government to develop a training-the-trainer programme to help improve the use of Thailand's Vessels Monitoring System.

Additionally, in January 2016, the CCCIF signed a MOU with 36 organizations, pledging to combat IUU fishing and human trafficking in seafood supply chains. This is another example of true multi-stakeholder response, as the undersigned organizations include 12 government agencies, 21 seafood private sectors (such as the Thai Tuna Industry association and the TFFA) and three other organizations (including the International Labour Organization and the Labour Rights Promotion Network).

Efforts to combat human trafficking in the seafood industry are now going beyond supply chain investigations in Thailand. This is the case of the Shrimp Supply Chain Taskforce, an international alliance of retailers, manufacturers, government and NGOs dedicated to tackling labour issues in the industry.

Significantly, international trade union movement initiatives are also supporting activities in Thailand, and national bodies are emerging as important migrant worker voices through both the trade union movement and through NGOs, notably the Migrant Workers' Rights Network (MWRN), based in

Mahachai, Samut Sakhon Province, the main national seafood hub. The International Transport Workers' Federation (ITF), has created the "From Catcher to Counter" programme to tackle IUU fishing and improve labour conditions in the sector through expanded union memberships and the promotion of social dialogue (ITF, undated).

The emergence of multiple initiatives adds value through more resources and attention. But the latter do not substitute for effective public governance and enforcement of appropriate state legislation. Coordination of the many actors is beginning to pose a challenge. Coordination is made even more challenging by the fact the stakeholders are based around the world – a reflection of the seafood supply chain's global nature, and a clear illustration of the complexities involved in ensuring good labour practices throughout GSCs.

Conclusions

In Thailand, seafood processing companies have grown in size and scope in recent decades, benefiting from strong business ties with the most developed economies. Case studies of the Thai shrimp and tuna supply chain illustrate how first-tier suppliers – those directly involved in serving international markets – are becoming increasingly regulated in terms of self-enforced compliance with food safety as well as social and environmental standards.

Competitive pressures in emerging markets have led to consolidation among value-added processing activities in the seafood industry, leading in turn to stronger economic performance in these production stages. Consolidation has also contributed to a rise in entry barriers, which include social upgrading requirements imposed by international buyers. Given the ready availability of low-cost unskilled labour in primary production stages, however, social upgrading remains limited to value-added activities within the Thai seafood supply chain. The high fragmentation of primary production stages favours processors, who have no incentive to vertically integrate. Workers' inability to collectively organize in fishing, aquaculture, and informal pre-processing activities perpetuates their weak bargaining power, thus increasing the likelihood of labour rights abuses in these production stages. Producers' fragmentation also renders traceability a challenge, thereby constraining international buyers' ability to ensure decent work throughout the entire seafood supply chain. Nevertheless, pressures from civil society groups and increased consumer awareness may contribute to increased transparency along supply chains, through the setting of higher regulatory standards at a national level.

Elements of the Thai seafood industry illustrate how, if appropriate public mechanisms are in place, economic upgrading can be tied to social upgrading. At the same time, the Thai example shows how market fragmentation, informality, and low economic performance in upstream activities results in decent work failures. Improved domestic legislation, enforcement, and accountability can translate into both increased profits, via higher productivity, and better labour conditions throughout entire supply chains, including the seafood chain. Nevertheless, issues of environmental sustainability remain a major concern, where they can undermine social and economic upgrading.

The Thai seafood GSC also illustrates the increasing complexity of industries with global production networks. It involves multiple geographical locations, stakeholders, and interests, together with layer upon layer of local and national cultures and traditions, together with social and economic practices, that are embedded within the chain. Each of these elements has an impact on environmental sustainability and labour conditions within the GSC, and each requires a specific focus on social upgrading to ensure that economic up-grading translates into decent work across the entire supply chain. Moreover, the seafood GSC clearly demonstrates how environmental and social sustainability and labour practices are interlinked, and how it is impossible to achieve sustainability in the supply chain without taking into account each of these factors.

The mobile nature of the seafood GSC is a particular complicating factor, making issues such as traceability of catch a key concern. Moreover, the GSC links directly with a number of complex policy areas, including child protection, migration management, OSH, and employment promotion, all of which have impacts on labour conditions in the sector. Hence, initiatives to promote decent work in the global seafood supply chain must take due account of all this while also taking holistic, evidence-based, and often transnational approaches.

It is abundantly clear from the experiences in Thailand that – unless the legal and regulatory framework is updated to include full coverage of all industrial operations – only limited progress can be expected. This measure is essential to achieving compliance with standards and regulations and with social upgrading. At the same time, the industry is riddled with problems that require coordinated, systematic law enforcement, so another key issue becomes the mandate, coordination, and resourcing of national inspection arms.

The extent to which labour inspectorates, fisheries inspectorates, and the marine police have the appropriate mandate, skills, and other resources available to fulfil their mission in any one country is essentially a political decision. Countries need to prioritize their responses to achieve impact. Organizations such as the ILO can support law enforcement in GSCs, but responsibility basically rests with the governments of the countries hosting operations. What is needed is multi-agency enforcement by institutions such as Thailand's PIPO Controlling Centres. As has been discussed in this paper, Thailand has taken very significant steps strengthen its legal framework and its law enforcement mechanisms over the past couple of years. When these initiatives mature and start yielding sustainable impact on practises in the sector, lessons from Thailand will potentially be extremely useful in other countries and regions as well and continued analysis of the Thai experience will contribute significantly to the global knowledge base.

As much as law enforcement is essential, however, it cannot be enough on its own. Changes of mindset and of business practices are equally important. In the long run, business owners and their staff are unlikely to comply with laws and regulations they neither understand nor consider relevant. Initiatives such as the GLP are thus required to “change the way we do business.”

Industry improvement must be underpinned by strong social dialogue and the effective recognition of workers' right to organize. Thailand's experience clearly illustrates the importance of dialogue and the need for organizations that can represent the voices of the most vulnerable groups of workers, including undocumented migrants and young workers.

Finally, an enabling policy environment is needed to support efforts within the supply chain to improve business practices and promote both social dialogue and the efficient and effective enforcement of labour legislation and fisheries regulations. The Thai experience demonstrates how labour shortages have contributed to widespread application of poor labour practices. An effective migration management system – one that provides basic protection to migrant workers on the one hand, while ensuring an adequate labour supply on the other – is a key to promoting decent work in the seafood GSC. At the same time, access to social services (e.g. health and education) for migrant workers and their children is a necessary condition for promoting decent work in the seafood GSC.

This GSC spans national borders and continents. Ensuring decent work, including the fundamental rights of all workers, needs to be the concern of all involved:

- governments and communities in countries of worker origin;
- countries and authorities flagging vessels;
- port countries;
- vessel owners and operators;
- the processing industry;
- trading and retail companies;
- consumers in both domestic and export markets.

- multinational corporations involved in the seafood GSC (they have special roles to play in leveraging their influence, raising awareness, and in bringing to bear their global expertise and knowledge);
- NGOs;
- the global trade union movement; and
- international organizations such as the UN.

Countries feeding the seafood GSC and/or importing seafood and seafood-based products (e.g. animal feed) are all responsible for ensuring the rights of workers in the supply chain. In many countries, the ratification of ILO Convention No. 188 would be an important first step in this direction.

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Global supply chains: Insights into the Thai seafood sector

In recent decades, the Thai seafood sector has expanded on a global scale by using foreign labour and inputs, while exporting processed and semi-processed seafood products to the largest economies including the United States, the EU and Japan. Growing international market shares and economic development have been achieved through the attraction of foreign capital, the achievement of good sanitary standards and investment in appropriate infrastructure in the sector. Therefore, the Thai seafood sector is an example of economic upgrading through participation in global supply chains (GSCs). However, while the sector is a key contributor to growth and employment for Thailand, social upgrading has been limited to levels and processes in the supply chain where there is a direct interaction with international buyers and more exposure to consumers. Severe decent work deficits have been documented in fishing and pre-processing activities, including the use of forced and child labour. Such deficits can be attributed to weak governance, which has been mostly related to deficiencies in public enforcement in the sector. By illustrating key economic trends, decent work challenges and public and private governance in the Thai seafood GSCs, the case study presented in this paper is an example of how social upgrading is not always tied to economic upgrading, if governance gaps persist. It is also an illustration of how governments may seek to improve legislation and enforcement in GSCs.

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