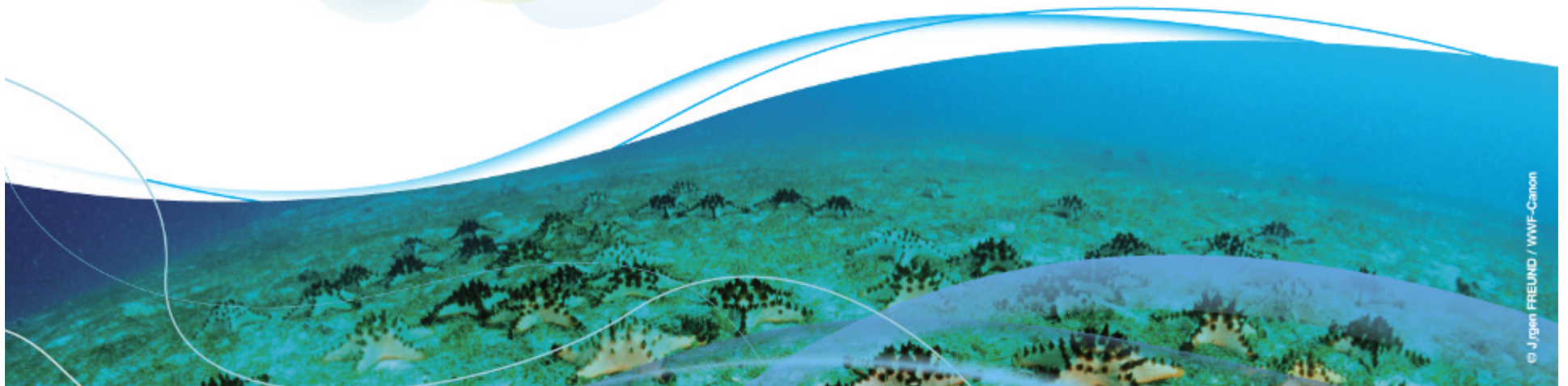




The Coral Triangle Initiative Business Summit

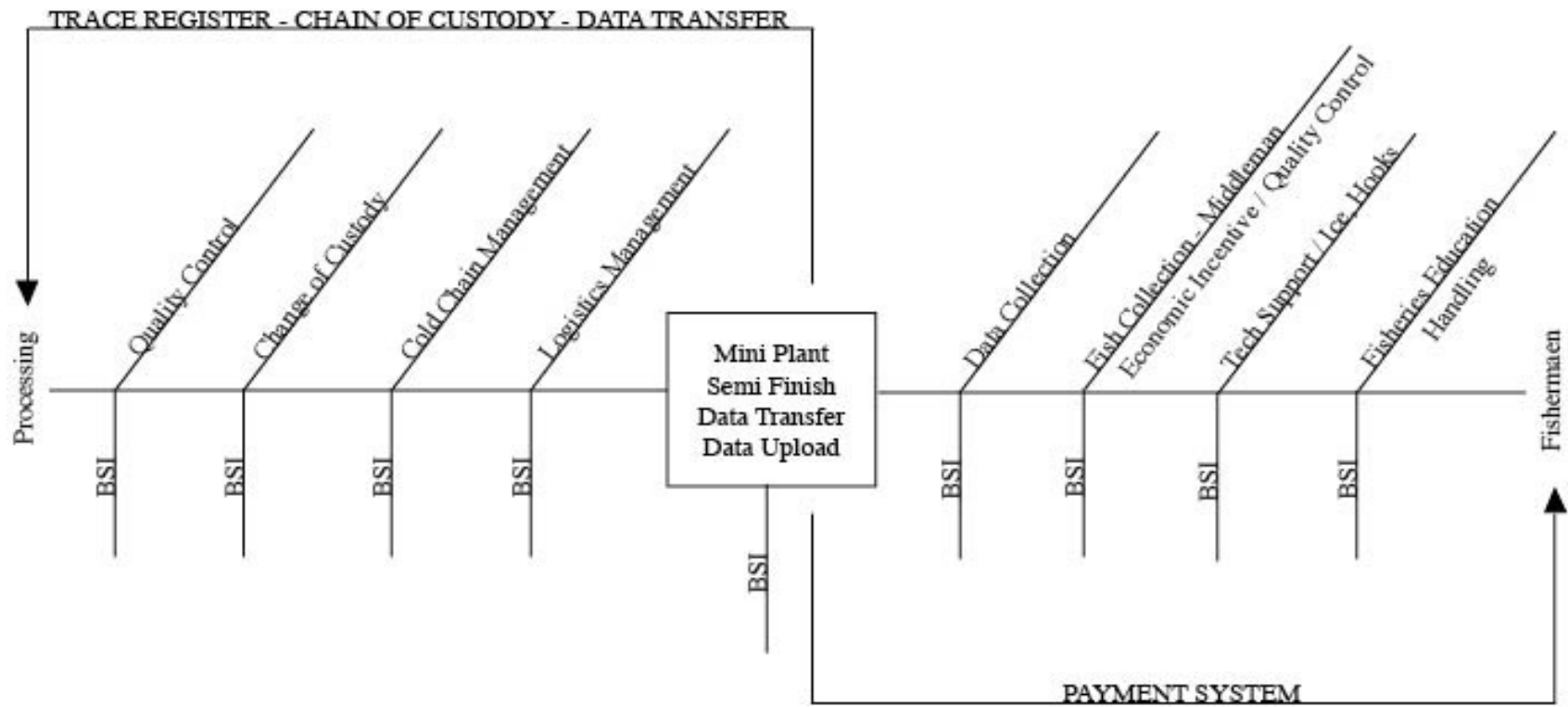
"New Partnerships for Sustainable Growth in the Coral Triangle"

January 19 - 20, 2010 • Manila | Shangri-la Makati, Philippines





Lesser Sunda Sustainable Fishing Initiative






Marching Orders For The Retail Food Industry

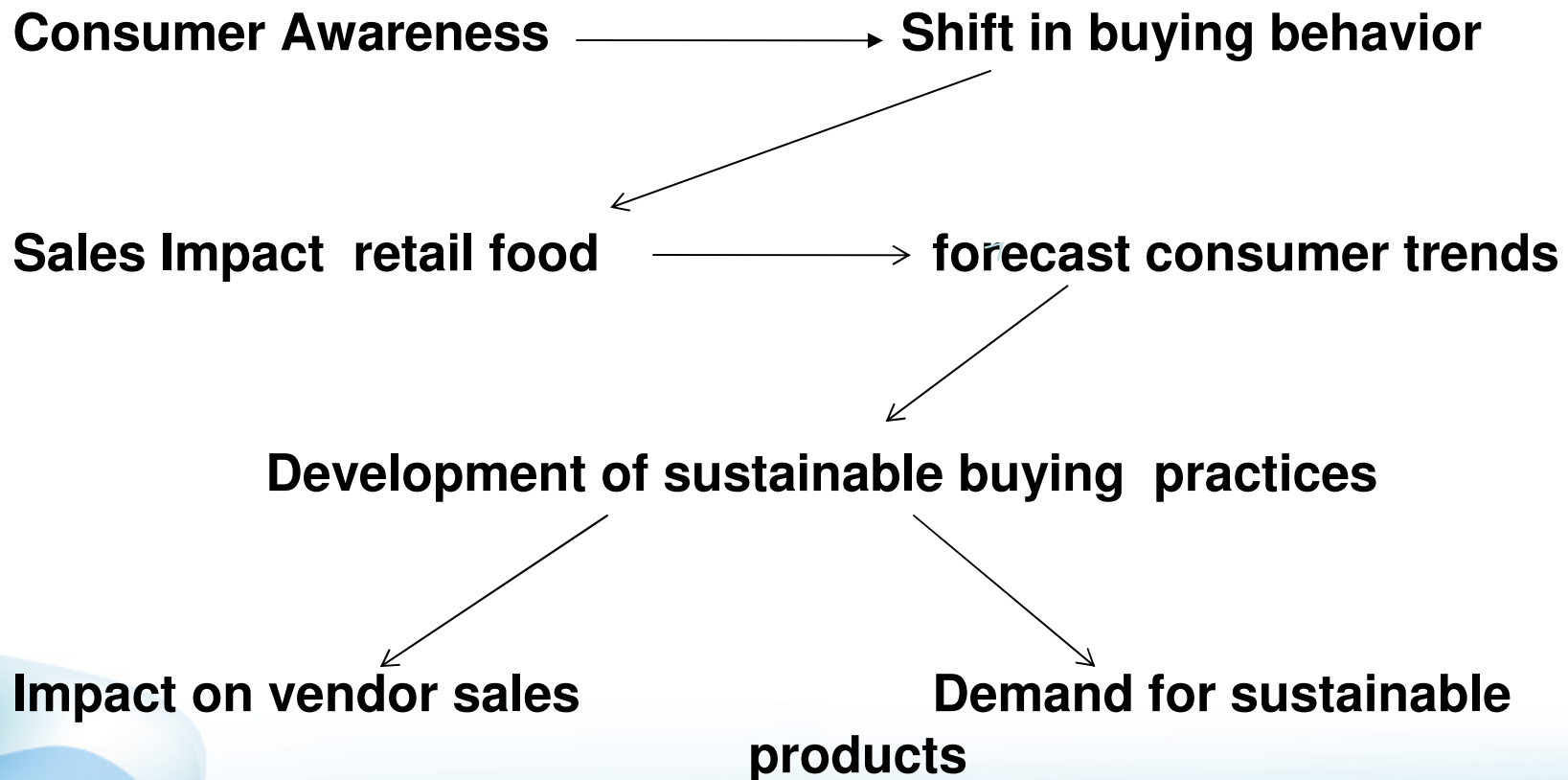
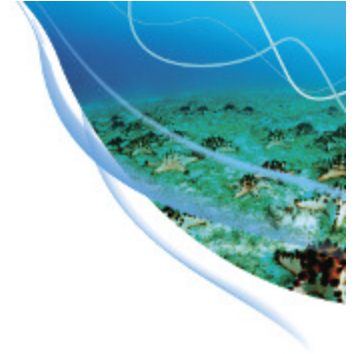
Consumer driven shifts in corporate responsibility

Understanding The Real Costs Of Overfishing



- **Global environmental performance standards are being recognized by consumers . Best practices in many industries are accounting for all the internal and external costs of doing business. This new awareness is being driven by a global trend in consumer awareness and demands.**
 - **Although the consumer may not be aware of the direct impact of industry on the environment there is a very clear message to industry to become better global citizens. The consumer is conveying this message through their articulated awareness of environmental issues and their shifting spending habits.**
 - **These consumer demands create challenges and opportunity for industry. Those that can clearly demonstrate environmental stewardship are creating a clear market advantage.**
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The Engine for Change




Consumer Behavior



- **11% of consumers want to know where their seafood comes from and are willing to pay a premium.**
- **17% of consumers are interested to know if their seafood purchase comes from a sustainable source and will pay a premium.**
- **72% of consumers leave the responsibility of sourcing sustainable seafood up to their retailer and want to be assured they are not eating the last Tuna.**
- **Consumers are confused by of echo labeling.**

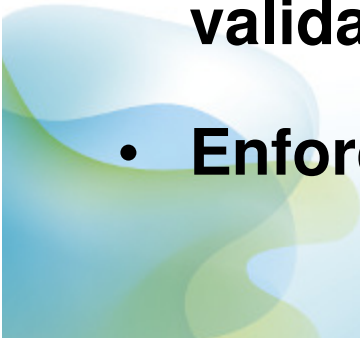
Retail Food Industry Response



- **Trends**
 - **Buy from certified fisheries e.g. Marine Stewardship Council.**
 - **Buy from fisheries that are under management by competent authorities with an enforceable management plan in place.**
 - **Buy from fisheries that can clearly demonstrate that they are recovering under existing management strategies.**
- 

Sustainable Buying Policies



- **Start at corporate level**
 - **Usually driven by “Social Responsibility” department**
 - **Articulated by category**
 - **Requires chain of custody transparency for enforcement**
 - **Usually includes NGO partnering for 3rd party validation**
 - **Enforced by buyer and category manager**
- 

Implementation Strategies



- **Varies by level corporate commitment**
- **Phase in over multi year time period**
- **Have time table for full implementation**
- **Some state that at end of implementation they will only sell certified sustainable products**
- **Some state at end of implementation selling recovering fisheries products remains acceptable**



Vendor Responsibilities



- **Locate and develop relationships with certified sustainable fisheries.**
- **Locate and develop relationships with credible fisheries development projects.**
- **Locate and develop relationships with Aquaculture suppliers under certification and employing best practices.**
- **Become directly involved in developing qualified fisheries toward sustainability.**

Conclusions



- **“Green” in the food business is not a trend but rather a shift in consumer attitudes and behavior.**
- **Demographics predict increasing awareness in future generations of food buyers.**
- **In general consumers place the responsibility for providing them with responsibly produced food on their retailer.**
- **The trust factor for food retailers is critical in preserving and growing market share.**

