

Human Rights and Environmental Impact Assessment Report

Pangasius from Vietnam

Enact Sustainable Strategies
December 2024

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Summary

In June 2024 Enact Sustainable Strategies was commissioned by Jumbo Supermarkten to carry out a Human Rights and Environmental Impact Assessment (HREIA) on their pangasius supply chain. For this research, desk research was combined with field research, including interviews with both external and internal stakeholders, as well as rights holders. For this assessment, Enact's advisors visited three of Jumbo's suppliers in Vietnam Mekong Delta area, contracted with Jumbo through two distributors: Seafood Connection and Lenk.

During the field research, no critical negative impacts were identified at the visited suppliers nor their surrounding communities. However, the below negative impacts were identified. All impacts can be found listed in more detail in chapter 5.

	Social topics	Environmental topics
Critical 	None	None
High 	• Lack of contracts for 4 workers at one site • Inadequate living standard • No Freedom of Association • Lack of Effective Worker Representation	None
Medium 	• Lack of (Processes) to Ensure Effective Worker Representation • Low wages • Lack of access to healthcare • Inadequate contracts • Issues with OHS • Inadequate due diligence for sub-suppliers	• GHG emissions
Low 	• No regular breaks • Inadequate standards of rest • Road safety	• GHG emissions from trucks

These negative impacts are caused by amongst others, the following main root causes:

- Restrictions on Freedom of Expression in Vietnam
- Ban on Freedom of Association in Vietnam
- Lack of Effective Worker Representation in Vietnam



- Lack of education and poverty in Vietnam

The above identified impacts lead to the following recommendations for Jumbo:

- A. Recommendations for Jumbo towards Pangasius value chain
 1. Collaborate with suppliers on the Action Plans
 2. Formulate requirements to increase *Effective* Worker Representation
 3. Ensure all suppliers are prepared for ASC requirement on feed
- B. Recommendations for Jumbo to Strengthen Due Diligence processes
 4. Develop Jumbo's selection process of HREIAs
 5. Monitoring Corrective Actions for Social Audits
 6. Sustainability support for suppliers
 7. Support internal departments in the field of sustainability
 8. Communicate and report on progress

Full advice can be read in chapter 7. Recommendations.

In addition to the identified impacts from the field research, there are a number of potential negative impacts that are pertaining to the country of Vietnam, to the Mekong Delta and to the aquaculture industry. These impacts were not verified through the site visits; however, they are important to note down so as to not lose sight of impacts that may be present today or in the future. As with all assessments, an omission to detect a harm does not necessarily mean the harm does not exist. These impacts can be found in chapter 5.2 on "Potential Impacts from other Research".

This report provides a detailed examination of the context, the impacts, the root causes and the recommendations stemming from the performed HREIA.



1. Background of the study

1.1. Purpose of the HREIA

Jumbo recognizes its responsibility to respect the environment, human rights and animal rights. For a number of years, this has been an integral part of the organisation's sustainability strategy. As part of its strategy, Jumbo has carried out human rights and environmental risk analysis on its commodities. This analysis produced a list of high-risk products and ingredients where the greatest negative impacts on people and the environment are expected to occur. Pangasius was identified as one of the high-risk product groups in Jumbo's assortment that required further assessment.

In order to gain a better understanding of the impacts to human rights and environment in this value chain, Jumbo asked Enact Sustainable Strategies to carry out a Human Rights and Environmental Impact Assessment (HREIA), and to develop an action plan in collaboration with the supermarket and the suppliers to address the impacts found.

The purpose of this HREIA is to:

- To identify the most important negative impacts on human rights and the environment in pangasius aquaculture;
- Gain insight into how business processes influence the identified negative impacts on people and the environment. This concerns both Jumbo's business processes and those of the investigated suppliers;
- Involve relevant stakeholders (including rights holders) in identifying actual impacts and include stakeholders in the development of an action plan;
- Further investigate the root causes of the identified impacts;
- Jointly develop practical solutions to tackle the negative impacts and translate this into an action plan that Jumbo can work on together with its suppliers.

1.2. Team

This study was conducted by Enact Sustainable Strategies¹, commissioned by Jumbo. Enact is an experienced consultancy firm in the field of sustainability, with specialist knowledge about the respect of human rights and business. Enact has experience in carrying out HREIAs in a wide range of sectors and complex chains, areas and production locations. The research team has a great deal of expertise in involving and interviewing stakeholders and rights holders, and in implementing and collaborating with companies to arrive at practical mitigation measures. For this assignment, Enact collaborated with a local consultant with experience in both human rights assessments as well as stakeholder engagement in Vietnam.

¹ <https://www.enact.se/>



2. Methodology

2.1 Approach of the HREIA

In June 2024, Jumbo commissioned Enact to carry out this HREIA. The assessment was prepared between August and December 2024. The visits to the suppliers were carried out in October, after which the results were processed and presented in this report. The study was conducted as follows:

Step 1 Business and supply chain context	• Determining the scope of the study; • Business process and supply chain mapping; • Desktop research on the environmental and human rights context; • Review of key legal frameworks and certifications; • Desktop research into the root causes of the potential impacts; • Mapping of key stakeholders.
Step 2 Interviews with stakeholders	To arrive at an initial list of possible impacts, and to better understand the context of the value chain, interviews were conducted with: • Internal stakeholders within Jumbo, including the purchasing, quality, category management and the sustainability departments. • Two direct pangasius distributors of Jumbo. • Experts and civil society organisations.
Step 3 Field research	• Visits to three suppliers of the two distributors, • Interviews with employees of the suppliers (HR, farm & processing factory management, farm and factory workers, boat personnel, truck drivers) to gain a better understanding of the working conditions and perspectives of the employees. • Interviews with individuals from surrounding communities who live and worked near the farm and factory locations.
Step 4 Analysis of the findings	• Assessment of the 'severity' of the impacts found based on international guidelines; • Analysis of the influence of business practices and other root causes on impacts; • An overview of human rights and environmental impacts prioritized; • Analysis of the possibilities for Jumbo and the suppliers to jointly reduce the negative impact.
Step 5 Recommendations and action plan	• Co-creating an action plan with Jumbo and the suppliers; • Writing a report and recommendations; • Presenting the findings to Jumbo and to suppliers.



2.2 International guidelines guiding the HREIA

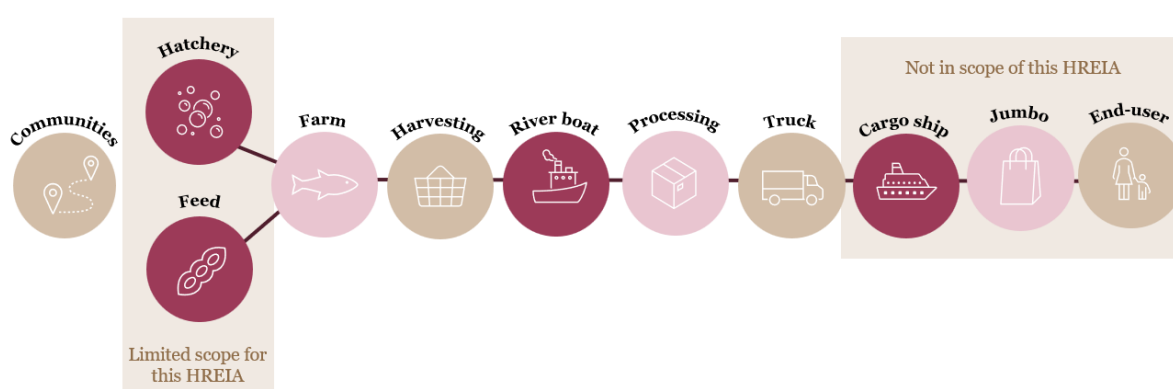
This HREIA is based on the following international guidelines and conventions:

- The International Bill of Human Rights²;
- The International Covenant on Economic, Social and Cultural Rights³;
- The International Covenant on Civil and Political Rights⁴;
- The ILO Basic Conventions⁵.
- UN Principles on Business and Human Rights⁶;
- OECD Guidelines for Multinational Enterprises⁷;

The methodology is also guided by the Oxfam's Human Rights Impact Assessment Framework. Special focus was given to the ILO core Convention No. 87, Freedom of Association and Protection of the Right to Organize, 1948 which is not ratified by Vietnam. Article 3 states that Workers' and employers' organizations have the right to organize their administration and activities freely, without interference by public authorities or employers.

2.3 Scope

Jumbo buys its pangasius from two distributors with offices in the EU. This impact assessment focuses on three suppliers from the distributors' supply chain, all that are ASC certified. The full supply chain of all three suppliers is captured in the picture below. In this study we have focused on communities, farms, processing facilities and the immediate logistics (river boats and trucks). Hatchery and feed have been included in a limited scope as only a single hatchery and feed processing factory were visited during the field research.



² United Nations (General Assembly), Universal Declaration of Human Rights (217 [III] A). Paris. (1948)

³ United Nations (General Assembly), International Covenant on Economic, Social, and Cultural Rights. Treaty Series 999 (December): 171. (1966)

⁴ United Nations (General Assembly), International Covenant on Civil and Political Rights. Treaty Series 999 (December): 171. (1966)

⁵ International Labour Organization (ILO), Declaration on Fundamental Principles and Rights at Work (1998)

⁶ United Nations. Guiding Principles on Business and Human Rights (2011)

⁷ Organisation for Economic Cooperation and Development (OECD), OECD Guidelines for Multinational Enterprises, (2000).

2.4 Relevant stakeholders and right holders

In the first phase of the study, all possible stakeholders were identified. Stakeholders are parties, organizations or individuals who can influence or be influenced by an organization, in this case by the pangasius suppliers' farms and factories.

Stakeholders involved and/or interviewed in this study included:

- Representatives of various departments within Jumbo (sustainability, category management, purchasing, quality)
- ASC, Aquaculture Stewardship Council
- CECAD, Centre for Environment and Community Resource Development
- WWF Sweden, World Wildlife Fund
- NIR, International Council of Swedish Industry
- The Finnish Embassy in Vietnam
- Two distributors of Jumbo (sustainability, product management)
- Employees from three suppliers of Jumbo in Vietnam (Directors, HR, Sales, Quality Management)

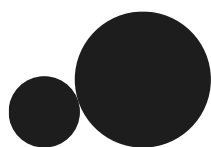
Within the various stakeholder groups, special attention has been given to 'rights holders'—individuals or groups who may be directly affected by a company's activities. These rights holders are recognized as those who experience the most immediate impacts from business operations. The following groups of right holders have been identified for this study⁸:

- Employees at farms and factories
- Employees for harvesting companies, on boats and driving trucks
- Communities

A total of 173 individuals were interviewed for this assessment, who were either employees, management, sub-suppliers or people from neighbouring communities. Out of these, 140 employees were interviewed, both at farms and factories. Of these, 57 were women and 83 were men. In total 27 community members were interviewed.

Most interviewees were interviewed in a group setting, bar 11 individual interviews. Conducting group interviews was a planned action as in general terms the Vietnamese culture has a sense of collectivism. Interviewees could be seen to be more comfortable sharing their thoughts in a familiar setting where colleagues are present, as it reduces the anxiety of speaking to an outsider. Participants could also build on each other's comments. The interviews were semi-structured, which made it possible to focus on some specific aspects during the interview, but also to deviate from the questionnaire when interesting or new issues came to light.

⁸ A rights holder may fall into more than one of these categories. In addition, impacts can be experienced differently by each category of rights holder and also experienced differently within a category depending on the 'identities' within that category, such as sexual orientation, age, country of origin and social class.



2.5 Vulnerable groups

While Vietnam, including the Mekong Delta, is home to several minority groups, such as the Khmer and the Hoa (Chinese), no members of these communities were interviewed for this study. This was due to the fact that they were not encountered during fieldwork, and, according to local informants, these groups were not concentrated in the areas of the visited sites. As such, the perspectives or contributions of these minority groups are not represented or discussed within the scope of this research.

In terms of gender dynamics, the study observed that factory environments demonstrated a relatively equal distribution of male and female workers, also among the managers. However, on the farms, a clear gender division of labour was evident: all pond work was performed exclusively by men, while the role of cook was performed by women.

Meaningful involvement of rights holders in the process

When conducting an impact assessment (HREIA), it is important to involve rights holders in a safe and meaningful way in identifying potential and current impacts. By sharing their experiences, the researchers can better understand the context, identify root causes, and validate findings. During the research process, discussions were held with representatives of groups of rights holders as well as with rights holders themselves. In doing so, we applied important principles to give interviewees the opportunity to speak openly:

- The conversations took place in spaces that were as secluded as possible;
- Experienced translators were used;
- Before the interviews, the interviewees were informed about the purpose of the interview, the anonymity and confidentiality of the interview, and they were informed of how their contribution would be used.

2.6 Limitations

The research and research process experienced the following limitations:

- This HREIA was mainly performed by two main Enact consultants who originate from Northern Europe. Although having spent many fieldtrips abroad, mostly in Southeast Asia and at times in Vietnam, these individuals will carry with them a cultural bias. There will be limitations to the extent these individuals can understand the cultural, social and economic context of Vietnam and the Mekong Delta. This in turn will have an impact on what was seen and heard, and also on what was missed. This limitation has been mitigated to an extent by the use of a local experienced consultant, a local translator, and by one of the Enact consultants holding an honours degree in Social Anthropology. In



preparation for the field trip, the Enact team spoke with external experts with experience in the region and during the field trip the team focused on creating an open and accommodating space for people to share their thoughts and reflections.

- Neither of the main consultants for this assignment have an educational background in biology, environmental sciences or the like. Through experience in working on environmental topics for over 10 years, through discussions with experts, through desktop-research, and through contracting with a Vietnamese translator with experience in biology and agriculture, this limitation was mitigated.
- The researchers were supported in the interviews by a translator. This allowed the interviews to be conducted in the interviewee's mother tongue. However, the presence of an extra person can mean that the interviewee does not feel completely free to talk openly about the working conditions. Also, a translation is always subject to interpretation and slows down interaction. These factors were considered in the analysis.
- The employees interviewed at the production sites were selected by the suppliers' management, which may have limited the inclusion of more critical perspectives.
- Some interviews with employees took place close to or in the employer's office, which can detract from the sense of safety for employees to speak freely. Alternative locations were not always possible. This has also been considered as a factor in the analysis where necessary.
- At one farm, employees had to be interviewed within the hearing range of their employers due to the lack of any kinds of seating arrangements elsewhere on the farm.

3. Context

3.1 Vietnam

Vietnam, officially the Socialist Republic of Vietnam, operates as a one-party communist state under the governance of the Communist Party of Vietnam (CPV). The political structure centralizes authority, which limits public participation. This system constrains civil liberties, including freedom of speech, press, and assembly, which are regulated under strict laws and policies.⁹

The historical context of Vietnam is integral to understanding its current situation. The country experienced prolonged periods of war, including the Vietnam War (1955–1975), which left significant social and economic challenges. Post-war recovery was hindered by widespread poverty, limited educational opportunities, and an underdeveloped infrastructure. However, since the Đổi Mới economic reforms in 1986, Vietnam has transitioned from a centrally planned economy to one that incorporates more market-oriented principles.¹⁰ This shift has led to substantial economic growth, positioning Vietnam as a rapidly developing economy. Key industries such as manufacturing and export-oriented agriculture have played a significant role in improving living standards. According to the World Bank, Real GDP per capita in Vietnam rose from under \$700 in 1986 to nearly \$4,500

⁹ Human Rights Watch, Vietnam: Pledges to Improve Human Rights Remain Empty Promises (2024)

¹⁰ Nguyen, H. V., Origins and evolution of Vietnam's Đổi Mới foreign policy of 1986. *TRaNS: Trans-Regional and -National Studies of Southeast Asia*, 4(2), 233–250. (2016)



in 2023, a sixfold increase. Meanwhile, the poverty rate dropped from 14% in 2010 to under 4% in 2023.

Economic growth has also introduced challenges, such as inconsistent labour standards, environmental concerns, and gaps in workplace protections.¹¹ Ethnic minorities and rural populations often experience limited access to quality education, healthcare, and economic opportunities compared to the Kinh majority population. According to the World Bank report published in 2022, ethnic minorities accounted for 15% of the population but represented 79% of those living in poverty.¹² Gender inequalities remain prevalent, with women earning an average of 13% less than men for similar work.¹³ Labour rights enforcement varies also across sectors, particularly in informal and low-wage industries, where workers face issues such as poor working conditions and limited legal protections.¹⁴

3.2 Human rights in Vietnam

Vietnam has a complex human rights landscape influenced by its one-party communist governance. Despite economic growth and modernization, and being a signatory of many international conventions, challenges remain in aligning its legal framework and practices with international human rights standards. Human Rights Watch has stated that Vietnam systematically suppresses basic civil and political rights, restricting the rights to freedom of expression, association, peaceful assembly, movement, and religion.¹⁵

The Vietnamese government imposes strict controls on freedom of expression, heavily regulating media and suppressing dissent. Independent journalism is almost entirely absent and online critics often face arrest under broad laws prohibiting "anti-state propaganda" or for "abusing democratic freedoms". This has limited open dialogue and critical discourse on governance and human rights issues.¹⁶

There has also been an increase in arrests of environmental activists, particularly those challenging large-scale development projects or advocating for sustainable practices. Activists face harassment, detention, and imprisonment, often under charges of disrupting public order or threatening state security. These actions reflect the government's sensitivity to movements perceived as threats to economic and political stability.¹⁷

Despite legal frameworks promoting gender equality, such as the Law on Gender Equality and the National Strategy for Gender Equality, women in Vietnam continue to face challenges including wage gaps, workplace discrimination, and limited access to leadership roles. Traditional gender roles, societal norms, and inconsistent enforcement of legal protections contribute to these disparities.¹⁸

¹¹ World Bank (2024) <https://www.worldbank.org/en/country/vietnam/overview>

¹² World Bank, From the Last Mile to the Next Mile: Vietnam poverty and equity assessment (2022)

¹³ ILO, Vietnam Gender Wage Gap Report (2023)

¹⁴ Human Rights Watch, Vietnam: Labor Rights Challenge (2023)

¹⁵ Human Rights Watch, World report 2023, Vietnam (2023)

¹⁶ Human Rights Watch, World report 2023, Vietnam (2023)

¹⁷ Time, What to Know About Vietnam's Persistent Crackdown on Environmentalists (2023)

¹⁸ US Department of State, Country Reports on Human Rights Practices: Vietnam (2022)



3.2.1. Labour rights in Vietnam

The ILO has many conventions on labour rights that national states are invited and encouraged to join. Eight conventions are seen as fundamental by ILO and of these Vietnam has ratified seven, having left to ratify Convention No. 87 on Freedom of Association and Protection of Rights to Organize.^{19 20} Vietnam has stated they will ratify this final core convention in the future, however there are yet no signs of this progressing.

Vietnam has been under strong vigilance, and as a result from pressure from the free trade agreements, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the EU-Vietnam Free Trade Agreement (EVFTA) Vietnam amended its labour law in 2019, with effect 2021. The new Labour Code recognizes workers' right to form worker representative organizations also outside the Vietnam General Confederation of Labor (VGCL), the sole state-controlled union. However, the VGCL is still the only union existing in Vietnam, continuing the oversight by the Communist Party. In April 2024, Vietnamese police arrested Nguyen Van Binh and Vu Minh Tien, senior officials in Vietnam's labour ministry and in the VGCL. They had advocated for more meaningful labour reforms and some independence of trade unions.²¹

The Labour Code does further not distinguish between workers and managers, failing to disallow managers from participating as union leadership or interfering in union or worker committee activity ²². There is still a strong culture of trade union representatives and worker committees having representatives only from management, as these posts are seen to require competence (in education) and time – things that only management level employees would possess.

As Asia advocacy director at Human Rights Watch John Sifton puts it “It’s patently false to claim that Vietnamese workers can organize unions or that their wages are the result of free bargaining between labor and management. Not a single independent union exists in Vietnam and no working legal frameworks exist for unions to be created or for workers to enforce labor rights.” ²³

3.3 Environmental and Socio-economic Challenges in the Mekong Delta

The Mekong River is often considered Asia’s counterpart to the Amazon. Stretching 4,800 kilometres, it winds through China, Myanmar, Thailand, Laos, and Cambodia before flowing into the South China Sea through nine main outlets, creating the Vietnamese Mekong Delta. The region has benefited from the fertility of its floodplains and abundant water resources for centuries ²⁴, and serves as the economic heart of the country’s agricultural production, contributing significantly to rice and fruit cultivation, as well as aquaculture.

The Mekong Delta is home to approximately 17 million people, accounting for about 20% of Vietnam's population. The region is predominantly rural, with most communities living in villages and small towns spread across the delta's extensive network of rivers and canals. The

¹⁹ ILO, Ratifications of ILO conventions: Ratifications for Viet Nam (2024)

²⁰ Buckley, Joe, Vietnam’s Labour Reforms: Drivers and Implications, ISEAS (2022)

²¹ Human Rights Watch, “Vietnam: False Claims on Labour Rights” (2024)

²² US Department of State, Country Reports on Human Rights Practices: Vietnam (2022)

²³ Human Rights Watch, “Vietnam: False Claims on Labour Rights” (2024)

²⁴ Wageningen University & research, Mekong Delta: Vietnam’s rice bowl transitions into a diverse food basket (2021)



Mekong Delta in Vietnam faces socio-economic challenges, including lower education levels compared to the national average, especially in rural areas. Access to higher education is limited due to poverty, poor infrastructure, and the need for many families to prioritize farm work over schooling.²⁵ The Delta's environment is exceptionally vulnerable, with both natural and human-induced challenges. Overexploitation of water resources, industrial discharge, and intensive farming practices have significantly degraded water quality. Additionally, upstream damming, sea-level rise, and climate change all exacerbate saltwater intrusion and erosion, threatening both livelihoods and biodiversity.²⁶

3.4 Overview of the Pangasius aquaculture in Vietnam

Pangasius is one of the most farmed fish species in the world with 85% coming from Vietnam.²⁷ In Vietnam, pangasius farming has developed rapidly and contributed significantly to the national economy, with pangasius farming comprising the main livelihood for many households in the country, especially in the Mekong Delta.²⁸

Large farming areas have been formed in the Mekong Delta since 2000, and since this time pangasius farming has been concentrated to large-scale farming companies. This has affected the economic structure of the area as the number of small-scale pangasius farming households have decreased significantly. The commercial farms and factories have however had a positive effect on the economy by providing stable jobs, with workers coming from nearby communities. This makes the industry an important factor for community well-being and local socio-economic development.

In Vietnam, the pangasius industry is highly competitive. Leading players such as Vinh Hoan dominate the market due to their ability to maintain high production volumes and achieve international certifications (such as ASC and Global GAP). These companies have a strong export focus, targeting markets like the United States, Europe, and China. However, the industry faces internal challenges, such as fluctuating raw material prices and the impacts of climate change and disease. Additionally, small-scale producers in the region struggle with production costs and achieving the quality standards required for export.^{29 30}

3.4.1 Pangasius as a low-cost commodity

Pangasius is renowned for its cost-effectiveness, largely due to the highly efficient farming practices. This efficiency is driven by low fish mortality rates, a short production cycle, the capacity for high-density stocking, and the plentiful natural water resources provided by the Mekong River. This affordability makes it a popular choice in markets where budget-friendly seafood is in high demand, such as in developing countries and middle- to lower-income consumers worldwide. Some sources say pangasius serves as a substitute for other more

²⁵ Multicultural Education, Volume 7, Issue 8, 2021, Bui Ngoc Hien, The Issues In Educational Development In The Mekong Delta Of Vietnam (2021)

²⁶ Le, H.B., Nguyen, X.H., Nguyen, V.H.P. *et al.* Multiple Factors Contributing to Deterioration of the Mekong Delta: A Review. *Wetlands* 43, 86 (2023)

²⁷ WWF, <https://www.fishforward.eu/en/project/pangasius/>

²⁸ Au Ton Nu Hai, Stijn Speelman, Understanding vulnerability and resilience of Vietnamese pangasius farming in the context of the Covid-19 pandemic, *Aquaculture*, Volume 575 (2023)

²⁹ WWF, <https://www.fishforward.eu/en/project/pangasius/>

³⁰ Au Ton Nu Hai, Stijn Speelman, Understanding vulnerability and resilience of Vietnamese pangasius farming in the context of the Covid-19 pandemic, *Aquaculture*, Volume 575 (2023)



expensive white fish varieties, such as cod, haddock, and tilapia, although this was disputed by one of the distributors.³¹

The large-scale production creates a steady and abundant supply, which keeps prices competitive. With fewer disruptions in farming, prices remain relatively low compared to more labour-intensive or resource-intensive species such as salmon or shrimp. Pangasius can also be raised on a variety of inexpensive feeds, such as rice bran and other agricultural by-products, which further reduces the cost of production.

Over the past five years, pangasius prices have fluctuated significantly due to market dynamics, supply chain disruptions, and changes in global demand. After peaking around 2018, prices started to decline in 2019 as a result of oversupply. This trend was exacerbated by the onset of the COVID-19 pandemic in 2020, which led to a sharp drop in demand from major markets such as the United States, Europe, and China. As a result, prices for frozen pangasius fillets fell to around USD 2.00 per kg, and farmgate prices dropped to about 0.76–0.82 USD per kg during the height of the pandemic. The market has seen some recovery since 2022, as demand slowly increased in key markets such as China and the United States. By 2024, prices had stabilized, with raw pangasius reaching around approximately 1.10–1.20 USD per kg.³² Looking forward, industry forecasts suggest a moderate rise in prices through 2025 and 2026, with estimates indicating a potential increase of about 5–10%.³³

3.4.2. Europe as a Pangasius importer

The largest importers of frozen pangasius fillets in Europe are the Netherlands and the United Kingdom, both reaching 15% of the European Union's imports of frozen pangasius in 2019. Other top countries are Germany, Italy, Spain, Belgium and Poland.³⁴

Although tariff reductions offer some advantages for Vietnamese exporters, the European market presents significant challenges. Stricter regulations on sustainable fishing practices, along with the market's sensitivity to quality and traceability, create hurdles for the Vietnamese producers. Additionally, competition from other low-cost exporters of fish such as Bangladesh and China impacts market dynamics.³⁵

The European pangasius market has experienced significant shifts, particularly as China has emerged as the largest importer, diminishing Europe's influence in price negotiations. European buyers, who often prioritize sustainability, face increasing challenges due to China's dominance in sourcing non-certified pangasius. This trend highlights a key obstacle: sustainability certifications, while important to European markets, impose additional costs on producers, making it difficult to compete with less stringent sourcing practices.³⁶

³¹ Vietnam Fisheries Magazine, Vietnamese pangasius faces competition from cod and pollock in export markets Vietnam (2024)

³² Ocean Treasure, Pangasius export market forecast for the last six months of 2024 (2024); Deore Nisha, Pangasius Market Report 2024

³³ FAO, Pangasius well positioned to satisfy increased demand (2023)

³⁴ CBI, The European market potential for pangasius (2021)

³⁵ Vietnam Fisheries Magazine, Pangasius export to EU declined 26.2% (2021)

³⁶ CBI, Entering the European market for pangasius (2021)



Despite these obstacles, the European market shows potential for growth. To sustain growth in this market, Vietnam must address cost pressures, follow quality standards, and challenge the competition from both local and international producers.³⁷

3.4.3. Moving towards more sustainable practices and certifications (ASC)

The sustainability story of Vietnam's pangasius farming is a complex evolution marked by rapid growth and international scrutiny. It all began in the 1990s when French scientists introduced spawning technology that enabled the controlled breeding of pangasius, making it possible to farm the species at scale. The industry took off quickly, becoming a vital part of Vietnam's economy and by the 2000s, pangasius was being exported widely. However, this boom brought significant challenges. Pangasius industry faced intense criticism and negative media coverage in Europe and the United States. Allegations emerged about unsanitary farming conditions, overuse of antibiotics, and environmental degradation. The World Wildlife Fund (WWF) also placed Vietnamese pangasius on its "red list" in 2010, advising consumers against buying it due to environmental concerns. These claims, combined with critical documentaries and news articles stained the reputation of pangasius in international markets.³⁸

Pangasius farming was criticized on water use and pollution in the already vulnerable Mekong Delta, as discharged water was untreated which increased biological and nitrogen buildup, especially as pangasius was farmed in cages across the river.³⁹ The use of antibiotics in pangasius farming to control diseases in high-density populations posed additional environmental risks. Residues of antibiotics, harmful for humans, were detected in effluents and sediments downstream, contributing in the long run to the development of antimicrobial resistance.⁴⁰ The expansion of pangasius farming also led to habitat alteration, with the conversion of wetlands and riverbanks into aquaculture ponds. This transformation has resulted in the loss of critical habitats for native species, thereby threatening local biodiversity.⁴¹

Responding to this backlash, the certification program Aquaculture Stewardship Council (ASC), initiated by the World Wildlife Fund, set standards for sustainable farming and processing. This included e.g. better water management, reduced chemical use, and ensuring more ethical treatment of fish during farming and transport. These efforts began to bear fruit and for example, by the end of 2010 the WWF agreed to remove pangasius from its red list.⁴² The shift towards ASC certification also helped restore market access and improved the industry's reputation.

³⁷ Aquaculture Magazine, The Vietnamese pangasius industry shows positive growth signals in the US, European, and Chinese markets (2022)

³⁸ CNA, The truth behind dory fish (2019) <https://www.youtube.com/watch?v=-7ff7fbZO5Q>

³⁹ Bosma, R.H., Hanh, C.T.T., Potting, J. et al., Environmental impact assessment of the pangasius sector in the Mekong Delta, Wageningen University, (2009); Quyen, N. T. K., Berg, H., Gallardo, W., & Da, C. T., Stakeholders' perceptions of ecosystem services and Pangasius catfish farming development along the Hau River in the Mekong Delta, Vietnam. *Ecosystem Services*, 25, 2–14. (2017).

⁴⁰ Nguyen, T.T. and Le, Q.V., n.d. Ecological risk assessment of the antibiotic enrofloxacin applied to Pangasius catfish farms in the Mekong Delta, Vietnam. Academia.edu (2015)

⁴¹ WWF, Farmed Pangasius, Factsheet, Panda.org (2012)

⁴² Panda.org, WWF agrees to remove VN tra fish from red list (2010)

Challenges persist, particularly in managing diseases, adapting to the impacts of climate change, and efficiently handling the 2% of the Mekong River's water flow that passes through the pangasius ponds annually.⁴³ Animal well-being remains an issue as well, as pangasius is reared at exceedingly high stocking densities. For example, in their final stages before harvest, the fish face different challenges while feeding in densely populated ponds. As pangasius feed with their gills open, collisions occur when other fish swim up from below, leading to injuries that can be fatal.

Certifications, while valuable for ensuring better sustainability measures, have limitations. Audits represent only a snapshot in time, leaving room for potential oversights. Even with unannounced visits, such as those occasionally conducted by ASC, most inspections are pre-scheduled, allowing for preparation that might hide ongoing issues.

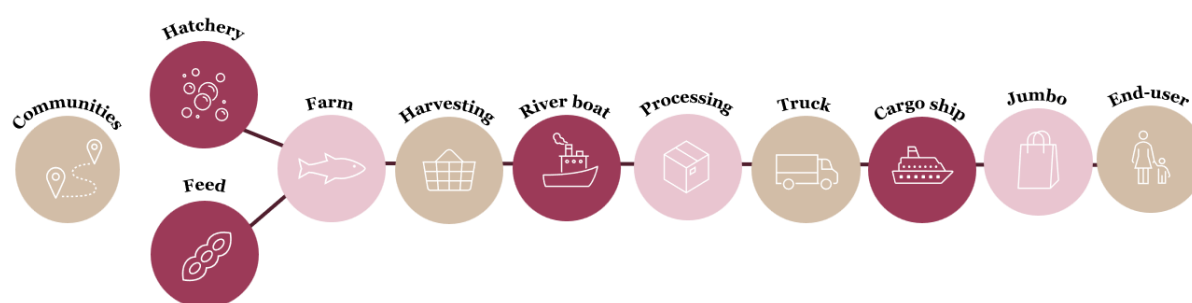
Having said this, it was made clear during this HREIA that the ASC certification does represent a relatively robust framework for ensuring sustainable aquaculture practices. By adhering to ASC standards, the suppliers demonstrated an ability to minimising environmental impacts and promoting better labour conditions. It is, therefore, strongly recommended that Jumbo continues to adopt and promote the ASC certification as a cornerstone of its pangasius purchasing.

⁴³ Bosma, R.H., Hanh, C.T.T., Potting, J. et al., Environmental impact assessment of the pangasius sector in the Mekong Delta, Wageningen University, (2009)



4. Overview of the value chain

Below is an overview of the chain of activities for the three assessed suppliers. In this study we have focused on communities, farms, processing and the immediate logistics (river boats and trucks). Limited focus has also been placed on hatcheries and feed production, as well as harvesting. A general overview for all parts of the value chain will be provided in this chapter.



4.1 Communities

The assessed farms were located on islands within the Mekong Delta. The farms were often sectioned off from the rest of the island with e.g. fences. Two farms neighbored fruit farmers and local shop owners. One farm was situated on an industrial island with a brick factory as its sole neighbor.

Two of the assessed factories were situated within local communities, where residents lived and worked nearby in small shops, food stalls, and cafes. One factory was located within an industrial zone on governmental land. This factory had no neighboring residential communities and was surrounded by other industrial plants.

Both the farms and factories maintained active relationships with their neighboring communities. Managers often engaged directly with residents, meeting face-to-face to build support and address any concerns. Local hamlets and their chairmen served as intermediaries, facilitating coordination to address local needs and concerns.

In Vietnam, businesses have traditionally demonstrated goodwill by investing in community development. These efforts often include providing infrastructure such as housing.⁴⁴ Some of the farms had e.g. dug wells and invested in housing. Further, the pangasius farms often gave fruit farmers their bi-product sludge for fertilization.

⁴⁴ Bui, H. T., & de Villiers, C., Corporate social responsibility reporting in Vietnam: A study of listed companies. *Journal of Corporate Social Responsibility*, 2(1), Article 10. (2017).

It is important to note that the pangasius farming industry has faced much criticism over land grabbing and insufficient legal procedures, as is detailed below in chapter 5 under “Potential Negative Impacts from Research”.

4.2 Feed

Most Pangasius farms rely on commercial pelleted feeds, which are nutritionally balanced to support the fish's growth and health. These feeds contain essential proteins, fats, vitamins, and minerals. The key ingredients often include:

- Fish meal or soybean meal as protein sources.
- Wheat, rice bran, or corn as carbohydrate sources.
- Added vitamins, minerals, and sometimes fish oil for healthy development.

These pellets are typically available in different sizes depending on the stage of the fish's development, such as:

- Crumbled feed for larvae and small fry.
- Small pellets for juveniles.
- Larger pellets for adult fish.

The cultivation of feed carries negative impacts to the climate and environment, as is detailed in chapter 5 under “Potential Negative Impacts from Research”. The ASC is developing a new standard on feed. This initiative seeks to address critical issues like deforestation, overfishing, and transparency in feed supply chains. All ASC farms will be expected to purchase their feed from an ASC certified producer in the coming years.

4.3 Hatcheries

The hatchery process begins with the selection of healthy and mature broodstock (both male and female). To stimulate ovulation and sperm production, breeding hormones are injected into both the male and female broodstock. Once the breeding hormones have taken effect semen is extracted by applying slight pressure to the abdomen of the male. The semen is then collected in a sterile container for later fertilization. To make the egg extraction process safer and less stressful, the female is anesthetized. After this the egg pouch is emptied and collected into a container. The collected semen and eggs are then mixed together. After fertilization, tannin or tannic acid is added to the mixture. This helps prevent clumping and allows the eggs to develop freely in the incubation tanks. The fertilized eggs are transferred to an incubation tank where the water temperature, oxygen levels, and cleanliness are controlled. The eggs will hatch into larvae in a few days. The young Pangasius are transferred to nursery ponds or tanks until they reach fingerling size (about 5-10 cm). ⁴⁵

4.4 Farms

Pangasius fingerlings are typically transferred from hatcheries to grow-out ponds at farms when they are around 3-4 weeks old and have reached a size of about 5-8 cm.

⁴⁵ VietOcean Seafood Vietnam, Swai/Pangasius: Farming & Processing Line (2023)
<https://www.youtube.com/watch?v=TAQuD3US61U&t=106s>



Fish typically remain in the same pond throughout their growth cycle until they reach market size. Regular water quality checks are performed for parameters such as dissolved oxygen, pH, ammonia, and temperature. Water is also replaced periodically to maintain quality and remove waste. Fish are fed by workers from a moving raft or boat twice a day to prevent aggressive behavior. Farmed fish are known to harm each other's gills during feeding as fish get larger and more competitive. As they barge from below, they might harm the fish above feeding with open gills.

The workforce at fisheries includes farm operators, technicians, store managers and workers who are responsible for feeding, maintaining water quality, harvesting, and ensuring the health of fish stocks. Some of the farmers also live at the farm. They are typically offered lunch and another meal by the company. The farm workers are usually paid the minimum wage in Vietnam or slightly above.

The work of farm managers, technicians and store managers typically required a higher level of education on e.g. water management. Some of the tasks are manual, but mechanization and automation are increasingly being used, especially on larger farms. ⁴⁶

4.5 Harvesting

When the fish reach the desired market size after about 6-10 months, they are harvested from the ponds. This is usually done by draining the ponds, pumping the fish out or using nets to catch the fish. At farms assessed for this study, the fish were harvested through being caught in nets or large buckets. The harvesting is usually performed by an outsourced company, as was the case of all three suppliers in this assessment. This involves day labourers (number depends on size of harvest, approx. 30 workers) who lay the nets, and transport the fish out of the ponds and into the transport boats.

4.6 River boats

After the fish are harvested at the farms, they are transported to processing facilities by outsourced river boats. These boats are equipped with large pools of water to keep the fish alive and in good condition during the journey, and they can carry over 20 tons of fish. Typically, the boats are operated by a boat-owning couple, often accompanied by a small team of staff (1-2 people), or occasionally by a worker from the producing facility.

The work on these boats demands a combination of technical and practical expertise, including navigation, steering, safety protocols, and basic mechanical skills to maintain the boat's equipment. The duration of transportation varies depending on the distance between the farm and the processing plant, with transit times generally ranging from 1 to 5 hours.

The contract between the boat operators and the facility typically includes stipulations to safeguard the quality of the fish during transport, for example maximum allowable speed. Provisions are also made for deductions in payment for fish mortality during transport.

⁴⁶ ASC Pangasius Standard, V1.2; VietOcean Seafood Vietnam, Swai/Pangasius: Farming & Processing Line (2023) <https://www.youtube.com/watch?v=TAquD3US61U&t=106s>



Additionally, boat operators are subject to strict timing regulations. They must coordinate their arrival at the factory or designated pier with the production schedule to ensure that processing lines are prepared to handle the incoming shipment, minimizing delays and maintaining the freshness and quality of the fish.⁴⁷

4.7 Processing

The boats arrive either to a neighbouring pier and are placed into buckets and then transported by truck to the factory approx. 1–3-minute drive away (two of three assessed suppliers had this arrangement). Or alternatively, the factory is situated by the river (one of the three assessed suppliers had this arrangement), in which case fish are sucked into a tube and placed onto conveyor belts where they are stunned and later enter into the factory.

Once transported to the processing facility, the fish undergo inspection and sorting to ensure they meet quality standards. Each fish is evaluated for physical condition, size and weight. The processing phase is labor-intensive, involving a series of steps that require skill, precision, and attention to detail. First the whole fish is thoroughly cleaned and scaled. Any impurities or debris are removed. Workers or automated machines fillet the pangasius. The fillets are typically cut to a uniform size to meet market demands. The fillets are trimmed to remove any bones, fat, or skin, depending on the type of fillet being produced (e.g., skinless and boneless fillets). The fillets are washed to remove any blood or impurities. Quality control checks are conducted at various points to ensure the fillets meet export standards, including size, colour, texture, and overall cleanliness.

The fillets are frozen using IQF (Individually Quick Frozen) technology or block freezing to preserve their freshness. The freezing temperature is typically below -18°C to ensure the fillets retain their texture, flavour, and nutritional value. In some cases, the fillets are glazed with a thin layer of water to protect them from dehydration and freezer burn during storage and transport. After freezing, the fillets are packed into vacuum-sealed bags or bulk packaging, depending on the customer's specifications. The packages are then boxed, labelled (with information such as product weight, grade, origin, and batch number), and prepared for shipping.

Workers often remain in the same position for years, as many of their roles are compensated based on output measured in kilograms. Over time, their efficiency and productivity tend to improve, allowing them to achieve better results and earn higher income.

4.8 Trucks

The frozen, packaged fillets are loaded onto refrigerated trucks (reefers) and transported to the nearest port, which for all three suppliers was Saigon Port. This journey typically takes up to 5 hours (3-4 hours for those suppliers located in Tien Giang and Ben Tre province). Truck drivers are responsible for ensuring the safe and timely delivery of products, often managing long routes and tight schedules. This role requires a commercial driving license and

⁴⁷ Boyd, C. E., & Tucker, C. S. (2012). *Pond Aquaculture Water Quality Management*. Springer; Food and Agriculture Organization (FAO). (2020). *The State of World Fisheries and Aquaculture*. FAO Publications.



familiarity with road safety regulations. As per Vietnamese national legislation, the trucks can only move in cities between 22:00 PM and 06:00 AM.

There is an elevated risk of road accidents in Vietnam and the transport industry accounts for a large proportion of GHG emissions. For more information see below in chapter 5 under “Potential Negative Impacts from Research”.

4.9 Transportation to Europe

At the port, the frozen fillets are loaded into refrigerated shipping containers. These containers are designed to maintain a consistent freezing temperature throughout the journey. The fillets are stacked and stored in boxes within the containers. The containers are then loaded onto a container ship bound for Europe. The shipping time usually takes between 4-5 weeks ⁴⁸.

Upon reaching a European port, the containers are unloaded. Custom inspections and quality checks are performed to ensure the shipment complies with European Union import standards and food safety regulations. After clearing customs, the frozen fillets are either sent to cold storage facilities for storage, or directly transported to retailers, wholesalers, or food processors.

Seafarers on cargo ships often face significant human rights challenges, including labor exploitation, inadequate living conditions, and restricted access to communication with the outside world. Seafarers also often face long periods at sea, isolated from their families. ⁴⁹

5. Impacts

In this chapter, the findings of the assessment are shared. The findings are based on information obtained through desktop research and through interviews with staff, and other stakeholders and right holders.

The impacts are also divided into two sub-chapters:

- **Identified impacts from field research:** Results from field research at the three suppliers’ factories, farms and surrounding communities. These impacts have been determined based on observations and/or interviews. For each impact, it is indicated to which supplier an impact refers to.
- **Potential impacts from other research:** Impacts that are suspected based on interviews with external stakeholders, or for which evidence exists indicating their prevalence in the sector. These impacts were not identified during the visit to the suppliers.

⁴⁸ ShipHub, Shipping from Vietnam to Europe and the USA (2024)

⁴⁹ International Human Rights Benchmark, Code of Conduct for the Shipping Industry: Delivering on Seafarers' Rights (2021)



5.1. Identified impacts from field research

In line with international standards, and with the United Nations Guiding Principles for Business and Human Rights (UNGPs) as the backbone, the identified negative impacts in this assessment were assessed on the basis of:

- Scale (the severity of the impact);
- Scope (the number of people affected or likely to be affected);
- Irremediability (ability to restore).

Based on this, the identified impacts were scaled from high to low negative impact.



The identified impacts are detailed below. The good practices are explained in text and bullet-point, and the negative impacts are listed and scaled in a table.

5.1.1 Identified good practices

When conducting the field research, a number of questions were asked during interviews to directors, management, workers (employees of suppliers, and sub-suppliers e.g. truck drivers), worker committee members and trade union representatives. From these conversations and on-site observations, the below good practices were identified:

Lack of overtime

- Overtime was very uncommon for all three suppliers. In fact, overtime work was seen to be rare within the whole pangasius industry. There were no real production peaks, but rather a steady planned flow of production.
- This was due to the fact that as the factories owned the farms, they had full control over when the fish would arrive to the factory. The offices had control over the size of the fish and knew 6 months in advance when harvest could take place. If harvest time needed to be adjusted, the office could do so by adjusting the feed. As the fish would have to be alive when arriving to the factory and could only live for a certain number of hours in the boats, delays were rare. Thus, the production could be planned meticulously well, and so the processing factories could make detailed production plans accordingly.
- The contention of lack of overtime was backed up by third-party social audits (SMETA and BSCI) that had been performed earlier in 2024 for all three suppliers' processing plants.
- The lack of overtime carries with it a number of positive effects. The risk of forced overtime (which is linked to forced labour), excessive overtime, health and safety risks (due to fatigue) and nonpayment/underpayment of overtime premiums –

are all risks that are heavily minimised when overtime does not take place. Hence the risks for these negative impacts are reduced for all three suppliers.

Workers positive towards work

- From interviews at all three suppliers, workers stated they are positive about their workplace and employer. This was true both at the farms and factories.

Annual leave allowance above legal minimum

- One of the suppliers of Seafood Connection, SC_Supplier_2, offered their employees 14 days annual leave instead of 12. Further, the employees annual leave increased after 5 years.

Providing for the local community

- The relationship between the farms and the local communities seemed good for all visited farms. The farms would for example offer their sludge as fertilisers to the local communities and would offer bi-caught fish such as tilapia.
- The ASC farm of Lenk's supplier Lenk_Supplier_1 had further built a well for the local community.

Green energy

- Lenk's supplier Lenk_Supplier_1 had installed many solar panels, and approx. 50% or more of the factory's electricity came from solar energy.

Reduction of GHG

- One of the suppliers of Seafood Connection, SC_Supplier_2, used a truck company that offered their employees training in eco-driving to reduce GHG emissions.

5.1.2. Identified negative impacts

Negative impact	Explanation of negative impact	Severity
Identified Social Impacts		
Lack of contracts for 4 workers at one site	Identified impact • At Seafood Connection's supplier SC_Supplier_1, it was identified that four farm workers did not have a signed contract. Context Contracts are a tool to prevent forced labour, wage theft, and exploitative working conditions. They specify agreed-upon conditions, creating a baseline for accountability. Workers can refer to their contracts to defend against arbitrary changes in wages, hours, or roles, which are common violations in labour rights abuses. They can also defend for their right to work. Having copies of contracts, and workers understanding their content is a part of the ASC standards.	High 

	International instruments • ILO Convention No. 122 (Employment Policy Convention, 1964) – need for formal employment contracts • ILO Recommendation No. 198 (Employment Relationship Recommendation, 2006) – defines importance of employment relationship • Article 6 & 7 International Covenant on Economic, Social and Cultural Rights (ICESCR), 1966 – right to work	
Inadequate living standard	Identified impact At Seafood Connection's supplier SC_Supplier_1, farm workers' dorms did not have electricity. As such these workers did not have fans in their dorms and there was no ability to charge phones in their dorms. Further, the closest washrooms were situated approx. 30 meters from the dorms. Context Workers must have access to housing that is safe, affordable, and dignified. This is essential for ensuring that housing supports the well-being and rights of workers. The ASC standard does not control housing at farms. International instruments • ILO Recommendation No. 115 (Workers' Housing Recommendation, 1961) – right to housing that meets basic needs, access to sanitary facilities • Article 25(1) Universal Declaration of Human Rights (UDHR), 1948 – everyone has right to adequate housing • Article 11(1) International Covenant on Economic, Social and Cultural Rights (ICESCR), 1966 – right to adequate standard of living	High 
No freedom of association	Identified impact • There were no independent unions present for any of the three suppliers (as this is in practice not possible in Vietnam). Findings from other sources ⁵⁰ • In Vietnam, all unions that are broader than enterprise level, are connected to the government-controlled Vietnam General Confederation of Labour (VGCL). • As such, there is no possibility for the majority workforce to independently join up and/or unionize, as is the intention with Freedom of Association. • Vietnam has not ratified ILO 87 on (Freedom of Association and Protection of the Right to Organise).	High 

⁵⁰ Buckley, Joe, Vietnam's Labour Reforms: Drivers and Implications, ISEAS (2022)



	Context Freedom of association and collective bargaining is a core labour right. It is not only an important right in itself, but is instrumental in realising other rights, such as the right to fair remuneration and the right to safe and healthy working conditions. The ASC does have controls over workers having the right to form or join organizations to defend their rights, without interference from the employer. International instruments • ILO Convention No. 87 (Freedom of Association and Protection of the Right to Organise Convention, 1948) • ILO Convention No. 98 (Right to Organise and Collective Bargaining Convention, 1949) • Article 20(1) Universal Declaration of Human Rights (UDHR), 1948 • Article 22 International Covenant on Civil and Political Rights (ICCPR), 1966 • Article 8 International Covenant on Economic, Social and Cultural Rights (ICESCR), 1966 • Article 11 European Convention on Human Rights (ECHR), 1950 • UN Guiding Principles on Business and Human Rights (UNGPs), 2011	
Lack of effective worker representation	Identified impact • At Lenk's supplier Lenk_Supplier_1, the issue on Effective Worker Representation was exacerbated as the trade union representative was a senior HR manager and many of the members of the worker committee were also from the management team. • Workers at all suppliers did not fully understand the process for electing trade union representatives and worker committee members, and they did not fully understand what their roles were. • Issues discussed by trade union representative and worker committee did not cover essential topics such as wages and occupational health and safety, but rather topics concerning gifts before lunar year and the like. Findings from other sources ⁵¹ • Worker committees are known to be ineffective throughout Vietnam. • The Vietnamese Labour Code does not distinguish between workers and managers, failing to seize managers from participating as union leadership or interfering in union activity.	High 

⁵¹ Buckley, Joe, Vietnam's Labour Reforms: Drivers and Implications, ISEAS (2022)



	- There is a strong culture of trade union representatives and worker committees having representatives only from management, as these posts are seen to require competence (in education) and time – things that only management level employees would possess. Context Effective worker representation means that employees are involved in decision-making processes that are relevant to them in the workplace and that there are sufficient opportunities for employees to <i>meaningfully</i> express views and concerns. This involves focusing on ways to get employees to think and participate in decisions that affect them. For effective worker representation to take place, it is vital that worker organisation is kept separate from management, without their interference. It is also vital that workers from the majority workforce are made aware of the function of the worker committee and trade union, that they understand and are engaged in the election process for these roles and that the trade union representative and worker committee members have a mandate to decide on meaningful topics, such as wages and occupational health and safety. The ASC has controls over workers having the right to form or join organizations to defend their rights, without interference from the employer. International instruments - ILO Convention No. 98 (Right to Organise and Collective Bargaining Convention, 1949) - prohibits employers from dominating or interfering in workers' organizations - ILO Convention No. 135 (Workers' Representatives Convention, 1971) – employer must create conditions for worker representatives to perform their duties - Article 23 Universal Declaration of Human Rights (UDHR), 1948 - underlines the importance of free and independent worker representation, distinct from management structures - Article 22 International Covenant on Civil and Political Rights (ICCPR), 1966 – no interference by employers or management - Article 8 International Covenant on Economic, Social and Cultural Rights (ICESCR), 1966 – unions free from control or influence by employers	
Lack of (processes) to ensure effective worker representation	Identified impact - At Seafood Connection's suppliers SC_ - Supplier_1 and SC_Supplier_2, the issue on Effective Worker Representation was functioning to a degree, as	Medium 



	the trade union representatives were not from management and some members of the worker committees were from majority workforce (excluding Group Leader roles). This meant that from interviews it was clear that the trade union representatives had a better understanding of the workers' working situation, such as the job requirements, OHS and wages. • However, there were no policies or processes in place to ensure that the roles of trade union representatives and/or worker committee roles would not be filled by management in the future. Further, at SC_Supplier_2, some factory managers were members of the Trade Union Executive Board. • Workers did not fully understand the process for electing trade union representatives and worker committee members, and they did not fully understand what their roles were. • Issues discussed by trade union representative and worker committee did not cover essential topics such as wages and occupational health and safety, but rather topics concerning gifts before lunar year and the like. Findings from other sources See above on Worker Representation. Context Effective worker representation means that employees are involved in decision-making processes that are relevant to them in the workplace and that there are sufficient opportunities for employees to <i>meaningfully</i> express views and concerns. This involves focusing on ways to get employees to think and participate in decisions that affect them. For Effective Worker Representation to take place, it is vital that worker organisation is kept separate from management, without their interference. It is also vital that workers from the majority workforce are made aware of the function of the worker committee and trade union, that they understand and are engaged in the election process for these roles and that the trade union representative and worker committee members have mandate to decide on meaningful topics, such as wages and occupational health and safety. The ASC has controls over workers having the right to form or join organizations to defend their rights, without interference from the employer. International instruments See above on Worker Representation.	
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Low wages	Identified impact - All three suppliers for both distributors had low wages for the farm workers. Wages were just above the legal minimum wage, which is estimated to be approx. half of the estimated living wage in the regions⁵². - As there was no independent union and no effective worker committees, there is no ability for farm workers in particular to organise and push for higher wages. Findings from other sources See above on Worker Representation. Context Low wages have an impact on ensuring a decent standard of living for workers and their families. Without the ability to collectively bargain for higher wages through the trade union or worker committee, workers have little to no ability to engage in dialogue with management to improve wages. ASC currently only controls having over minimum wage as or ensuring that wages cover basic needs depending on which ends higher. The new farm standard, entering into force in 2025, will included better standards for living wage. International instruments - ILO Convention No. 87 (Freedom of Association and Protection of the Right to Organise Convention, 1948) – right to unionise - ILO Convention No. 98 (Right to Organise and Collective Bargaining Convention, 1949) – right to bargain collectively - Article 23(3) Universal Declaration of Human Rights (UDHR), 1948 – right to fair and just remuneration - Article 7(a) International Covenant on Economic, Social and Cultural Rights (ICESCR), 1966 – fair wages for decent living	Medium 
Restrictions in access to healthcare	Identified impact At Seafood Connection’s supplier SC_Supplier_1, insurance cards had not been issued for one farm worker. This could indicate that there is not due process to ensure that insurance cards are issued. Context	Medium 

⁵² All three suppliers were situated in Vietnam’s Minimum Wage Region 2, where the minimum wage in 2024 is gross VND 4,410,000/month. According to The Anker Research Institute’s update on Living Wages in Vietnam for 2024, the living wage in region 2 is gross VND 8,217,792/month. The living wage estimate is thus approx. 46% higher than the minimum wage level. See report: Anker Research Institute, Living Wage Update Report No. 24-04-03 (2024)

	Health insurance enables workers to access preventive care, timely treatments, and necessary medications, reducing the risk of untreated illnesses worsening. The ASC standard does not cover health insurance. International instruments • ILO Social Security (Minimum Standards) Convention, 1952 (No. 102) – minimum standards such as medical care • ILO Medical Care and Sickness Benefits Convention, 1969 (No. 130) – recommends medical insurance to finance medical care • Article 25 Universal Declaration of Human Rights (UDHR), 1948 – access to medical care • Article 9 & 12 International Covenant on Economic, Social and Cultural Rights (ICESCR), 1966 – right to social security	
Inadequate contracts	Identified impact • At Seafood Connection's supplier SC_Supplier_1 and at Lenk's supplier Lenk_Supplier_1, it was identified that the farm workers living on the ASC farm did not have contracts that stipulated their right to accommodation. Context Contracts are a tool to create a baseline for accountability. Workers can refer to their contracts to defend against arbitrary changes regarding e.g. benefits. The ASC standard does not cover housing nor contents of contracts. International instruments • ILO Convention No. 122 (Employment Policy Convention, 1964) – need for formal employment contracts • ILO Recommendation No. 115 (Workers' Housing Recommendation, 1961) – right to housing that meets basic needs, access to sanitary facilities • Article 25(1) Universal Declaration of Human Rights (UDHR), 1948 – everyone has right to adequate housing • Article 11(1) International Covenant on Economic, Social and Cultural Rights (ICESCR), 1966 – right to adequate standard of living	Medium 
Issues with OHS	Identified impact At Lenk's supplier Lenk_Supplier_1, there were a number of OHS issues from the latest BSCI report from 2024 that were	Medium 



	said to have been addressed during the visit, however this has not been verified. Context Occupational Health and Safety standards are important to protect workers from accidents, injuries, and long-term health conditions resulting from workplace hazards. International instruments ILO Convention No. 155 – Occupational Safety and Health Convention (1981) – ensure safe working environment	
Inadequate due diligence for sub-suppliers	Identified impact At Seafood Connection's supplier SC_Supplier_1 and at Lenk's supplier Lenk_Supplier_1, there is a lack of safeguards to ensure and verify compliancy of the sub-suppliers of the principles within their and/or the distributors' Code of Conduct. This was relevant for workers in the Harvesting, Truck and Boat value chain. Context Ensuring that a code of conduct is adhered to further up the value chain by sub-suppliers is critical for ethical and legal reasons. Issues like forced labour, child labour, or unsafe working conditions often occur further up the value chain. A robust code of conduct process ensures that suppliers adhere to ethical labour standards. The ASC covers only sub-supplier due diligence by ensuring providers that ensure suitable health and safety conditions for their workers for sludge treatment, harvesting fish and normal waste transportation and handling. International instruments - All conventions and standards relating to working conditions such as Freedom of Association, Forced Labour, Occupational Health & Safety, Wages and Working hours - UN Guiding Principles on Business and Human Rights (UNGPs), 2011	Medium 
No regular rest breaks	Identified impact At Seafood Connection's supplier SC_Supplier_1 there were no formal times to take breaks in the processing factory. Management said that people could take breaks as they pleased but this was not known to workers (as it was with the two other suppliers Lenk_Supplier_1 and SC_Supplier_2). Workers said they took breaks when	Low 



	needed, however by not having a standard time for breaks and by workers being paid by weight (kg), it is good to create a structure which ensures all workers take regular breaks. - In SC_Supplier_1's labour regulation document, breaks were said to exist twice per day for 5 min each. This rule was unknown for workers. Further, 5 minutes is not sufficient time for a break as workers would need to remove all of their protective clothing in order to leave the factory and have a sit down. This would result in the break not allowing for a time to sit down and rest. Context Ensuring employees routinely take breaks is important for safety and wellbeing. The ASC only controls work at the pangasius farms. International instruments - ILO Hours of Work (Industry) Convention, 1919 (No. 1) and Hours of Work (Commerce and Offices) Convention, 1930 (No. 30) – include rest breaks and avoid fatigue. - ILO Protection of Workers' Health Recommendation, 1953 (No. 97) - suggests that breaks and rest periods should be incorporated into workplace policies	
Inadequate standards of rest	Identified impact At Seafood Connection's supplier SC_Supplier_2, the truck driver was required to drive a longer distance to get to Saigon Port (compared to the other suppliers). The truck driver had sleeping arrangements in the car, however there was limited guarantees for access to water and washrooms when the truck driver took rest at the end of the shift. Context When on the road and offered housing by their employer, truck drivers must have access to sleeping arrangements that are safe and dignified. This is essential for ensuring the well-being and rights of workers. The ASC only controls work at the pangasius farms. International instruments - ILO Recommendation No. 115 (Workers' Housing Recommendation, 1961) – right to housing that meets basic needs, access to sanitary facilities - Article 11(1) International Covenant on Economic, Social and Cultural Rights (ICESCR), 1966 – right to adequate standard of living	Low 



Road safety	Identified impact - At Lenk's supplier Lenk_Supplier_1, the truck drivers had not received any specific or additional induction training. Findings from other sources - There is an elevated risk of road accidents in Vietnam. The World Health Organization's 2023 Global Status Report on Road Safety estimates Vietnam's road traffic fatality rate is higher than the global average. Context It is essential that those workers working on the roads, such as truck drivers, have adequate training in order to ensure road safety. The ASC only controls work at the pangasius farms. International instruments - ILO Convention No. 155 – Occupational Safety and Health Convention (1981) – ensure safe working environment	Low 
Identified Environmental Impacts		
GHG emissions from the production of feed	Identified impact - All three suppliers use commercial feed in their farming practices, which have known high emission due to heavy use of agricultural products (like soy and husk) which are often imported. Although there are only limited possibilities to minimize the impact, the impact is still evident. Findings from other sources ⁵³ - Greenhouse gas (GHG) emissions from pangasius farming are significantly influenced by the feed used, typically accounting for a substantial portion of the total emissions associated with production. - Studies estimate that feed production and use contribute between 60% and 80% of the total GHG emissions in pangasius aquaculture. Context Greenhouse gas (GHG) emissions from pangasius farming are significantly influenced by the production of fish feed. The ASC is developing a new standard on feed. This initiative seeks to address critical issues like deforestation, overfishing, and transparency in feed supply chains. All ASC farms will be expected to	Medium 

⁵³ Henriksson & al, Product Carbon Footprints and Their Uncertainties in Comparative Decision Contexts (2015)

	purchase their feed from an ASC certified producer in the coming years. International instruments • The Paris Agreement (2015)- requires National Determines Contributions that often include reductions on feed • The Intergovernmental Panel on Climate Change (IPCC) – highlight how feed in farming accounts for roughly 23% of total emissions	
GHG emissions from trucks	Identified impact • Lenk's supplier Lenk_Supplier_1 does not provide training on eco-driving to its truck drivers. Findings from other sources • Truck transportation in Vietnam significantly impacts the environment through GHG emissions, air pollution, and traffic congestion. The transport sector contributes approximately 10% of the country's GHG emissions, with trucking responsible for a substantial portion.⁵⁴ • Eco-driving, as part of a broader strategy for reducing emissions, can play a crucial role in reaching international climate goals, such as those outlined in the Paris Agreement. Context Truck drivers should be trained on eco-driving as GHG emissions from trucks has a big impact on air pollution and climate change. The ASC only controls work at the pangasius farms. International instruments • The Paris Agreement (2015)- includes measures to reduce emissions from transport • The Intergovernmental Panel on Climate Change (IPCC) – emphasizes the role of transport sector to reduce emissions	Low 

Apart from the identified impacts listed above, there was also one inconclusive finding. An employee of Seafood Connection's supplier SC_Supplier_1 stated in an interview that the fish mortality was 50%. It is unclear if this was meant for the whole farm or one pond, and the time reference was also unclear. In any case, ASC has a maximum limit of 20% fish mortality. ASC has been notified of this information, as it remains unverified. Jumbo and Seafood Connection are encouraged to investigate further.

⁵⁴ World Bank Group, Strengthening Vietnam's Trucking Sector (2019)



5.2 Potential impacts from other research

The following impacts detailed below are impacts that are suspected to take place, or that could take place, based on interviews with external stakeholders or based on desktop research. These impacts were not identified during the visit to the suppliers.

As with all assessments, an omission to detect a harm does not always mean the harm does not exist. The ASC standard for example, includes diligent audits to assess environmental harms. However, these audits suffer from the same types of limitations as with all audits – they are a snap-shot in time, and things can always go missed. Given this lack of complete certainty, the impacts that pertain to the country, region, industry and activity are listed in this chapter below.

Negative impact	Explanation of negative impact
Potential Social Impacts	
Poor health due to polluted water	- Untreated water from pangasius farms can be linked to waterborne diseases in local communities as polluted water is used for drinking, cooking, and bathing, and poor sanitation. Untreated water further harms local fishing and thus communities' livelihoods. ⁵⁵ - The ASC standard has controls on the treatment of discharged water however the controls cannot offer 100% guarantees. The negative impacts could still occur.
Global antibiotics resistance	- Pangasius farmers can use antibiotics to control disease outbreaks in high-density fish populations. Overuse of these antibiotics not only contaminates local water supplies but also contributes to the global problem of antibiotic resistance, which is a serious threat to human health. ⁵⁶ - Traces of antibiotics have been found in exported pangasius, leading to recalls and trade restrictions. - The ASC standard has controls on the use of antibiotics however the controls cannot offer 100% guarantees. The negative impacts could still occur.
Displacement of smallholder farmers and local communities	Expansion of aquaculture has led to the displacement of smallholder farmers and local communities. Large companies sometimes acquire land through improper legal processes, leaving locals without adequate compensation or alternative livelihoods. ⁵⁷

⁵⁵ Water Pollution by Pangasius Production in the Mekong Delta, Vietnam: Causes and Options for Control (2010)

⁵⁶ ICARS project 2023-2026: Reduction of antimicrobial use in Pangasius and Tilapia aquaculture in Vietnam

⁵⁷ Subasinghe, Rohana & Soto, D. & Jia, Jiansan, Global aquaculture and its role in sustainable development. Reviews in Aquaculture (2009)



	- This problem is exacerbated by a lack of clear land ownership titles in rural Vietnam. ⁵⁸ - The ASC standard has controls on land appropriation however the controls cannot offer 100% guarantees. The negative impacts could still occur.
Sexual harassment against women	- Several recent reports identify sexual harassment against women as a significant problem in society in general and in employment specifically. ⁵⁹ - The lack of a clear legal definition of sexual harassment, the reluctance of victims to come forward, and the failure of officials to investigate complaints adequately are among the specific concerns raised. - The ASC standard has controls on discrimination, dignity and respect however the controls cannot offer 100% guarantees. The negative impacts could still occur.
Discrimination due to sexual orientation	- Laws in force in Vietnam do not offer protection against discrimination based on “sexual orientation”, “gender identity” or “gender expression” in employment. - The ASC standard has controls on discrimination, dignity and respect however the controls cannot offer 100% guarantees. The negative impacts could still occur.
Injuries and chronic musculoskeletal problems	Many workers are involved in physically demanding tasks such as loading and unloading heavy fish cages or maintaining aquaculture ponds. These tasks can cause strain injuries and chronic musculoskeletal problems over time. ⁶⁰
Road accidents	There is an elevated risk of road accidents in Vietnam. The World Health Organization's 2023 Global Status Report on Road Safety estimates Vietnam's road traffic fatality rate is higher than the global average.
Potential Environmental Impacts	
Animal welfare	Animal welfare is generally restricted in Pangasius fish farming, as it's farming often involves high stocking densities. High densities can increase stress, disease susceptibility, and mortality. ASC acceptance of 20% mortality is relatively high compared to other aquaculture. ⁶¹

⁵⁸ Lexology, Land use rights certificates in Vietnam - Do they protect Bona Fides Transferees? (2023)

⁵⁹ UN women, Facts and figures: Ending violence against women (2023)

⁶⁰ EU-OSHA, Musculoskeletal disorders <https://osha.europa.eu/en/themes/musculoskeletal-disorders>

⁶¹ The Fish Site, Pangasius farming: an overview (2015)



Sinking of land in Mekong Delta	The withdrawal of too much groundwater for irrigation, aquaculture, industry and household usage is causing subsidence, the sinking of land at Mekong Delta. Experts estimate that the delta is sinking by up to four centimetres yearly. ⁶²
Antibiotics harming environment	- Aquaculture in general makes use of antibiotics and chemicals that are harmful for the environment and communities. ⁶³ - The ASC standard has controls on the use of such substances however the controls cannot offer 100% guarantees. The negative impacts could still occur.
Water contamination	- Aquaculture in general makes use of large amounts of water that is then polluted through the farming process from fish faeces, uneaten feed, and sludge. If untreated, the discharged wastewater would contaminate the Mekong River and harm the environment and surrounding communities. ⁶⁴ - The ASC standard has controls on the treatment of discharged water however the controls cannot offer 100% guarantees. The negative impacts could still occur.
Loss of habitat	- Habitats are cleared to create ponds for pangasius farming, leading to loss of critical habitats for many species. - In the Mekong Delta, aquaculture development has replaced significant areas of mangroves, which are crucial ecosystems for protecting coastlines from erosion, providing carbon sequestration, and supporting biodiversity. ⁶⁵ - The brief duration of the fieldwork did not provide sufficient time to thoroughly investigate issues related to habitat loss, which can only be fully understood over the course of decades.
Loss of biodiversity	- Non-native pangasius can escape from farms and compete with native species in the Mekong River. These escaped fish often outcompete local species for food and space, leading to biodiversity loss and ecosystem imbalances. This is not common, however it can occur. ⁶⁶ - Further, pangasius aquaculture is a mass-produced commodity. As with all mono-products, biodiversity can be suppressed due to the mass production of a single commodity.
Sustainable sources in feed	Fish powder, fish oil, soy and palm oil can come from unsustainable sources. ⁶⁷

⁶² The Fish Site, The sinking aquaculture dragon: struggles in the Mekong (2024)

⁶³ ICARS project 2023-2026: Reduction of antimicrobial use in Pangasius and Tilapia aquaculture in Vietnam

⁶⁴ U.S. Environmental Protection Agency Managing Aquaculture to Protect Water Quality (2024)

⁶⁵ McSherry et al, Integrated mangrove aquaculture: The sustainable choice for mangroves and aquaculture?, (2023)

⁶⁶ Panga.org Pangasius with a clear conscience (2018)

⁶⁷ Zlaugotne B, Pubule J, Blumberg D. Advantages and disadvantages of using more sustainable ingredients in fish feed. Heliyon. Sep 6;8 (2022)



	• The ASC standard has controls such as requiring ISEAL certified fish-inputs and emphasizing responsible soy, however this cannot guarantee 100% that the feed comes from sustainable sources. • ASC is introducing requirements on ASC certified feed producers in coming years.
Pollution from vessels	• Boat traffic in the Mekong Delta contributes to environmental risks, particularly through pollution and habitat disruption. Vessels discharge pollutants such as oil, waste, and chemicals into the waterways, adversely affecting water quality and aquatic ecosystems. • Additionally, the physical movement of boats can erode riverbanks and disturb sediment, leading to habitat degradation.⁶⁸

6. Root Causes

The impacts identified during this assessment are not isolated. They are related to the legal and institutional framework, the historical and economic context and the societal norms that persist in Vietnam. When addressing the impacts, it is therefore important to analyse the root causes underlying the impacts. These *root causes* are explained in more detail in this section and relates particularly to the identified negative impact regarding “Effective worker representation”.

Topic	Explanation
Restrictions on Freedom of Expression	• In 1970, the International Labour Conference adopted a resolution that reaffirmed the link between trade union rights and many of the civil and political rights found in the International Bill of Human Rights. The rights specifically identified were: the security of the person; freedom from arbitrary arrest and detention; freedom of opinion and expression including through media; freedom of assembly; the right to a fair trial; and the right to the protection of property of trade unions. • The resolution stated that “the absence of these civil liberties removes all meaning of the concept of trade union rights.” Companies cannot replace the role of the state in guaranteeing or protecting these rights. This fact does not mean that business enterprises have no obligation to respect human rights where the state fails to do its duty.⁶⁹ • Thus, when Freedom of Expression is restricted, individuals can fear reprisal for speaking out or affiliating with groups that express dissenting or critical views. Speaking out against the views of authority will be more limited in countries where Freedom of Expression is restricted.

⁶⁸ Le, H.B., Nguyen, X.H., Nguyen, V.H.P. *et al.* Multiple Factors Contributing to Deterioration of the Mekong Delta: A Review. *Wetlands* 43, 86 (2023)

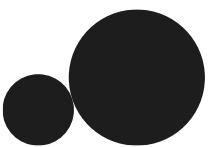
⁶⁹ <https://media.business-humanrights.org/media/documents/files/media/documents/ituc-industriall-ccc-uni-paper-due-diligence-foa-22-nov-2012.pdf>

	• Restrictions on Freedom of Expression will impact on civil rights in conducting their work to bring to light abuses against human rights and the environment. In recent years, several environmental and human rights activists in Vietnam have faced arrests and convictions, often on charges such as tax evasion, which critics argue are used to suppress dissent and activism.
Bans of Freedom of Association	• Vietnam is a one-party communist authoritarian state that restricts Freedom of Association. • Vietnam's Labor Code 2019 allows for the establishment of independent worker organizations at the enterprise level. However, these new worker organizations are limited in scope compared to unions and are only allowed at the enterprise level. • In practice, all unions that are broader than enterprise level, are connected to the government- controlled Vietnam General Confederation of Labour (VGCL). • Vietnam has not ratified ILO 87 on (Freedom of Association and Protection of the Right to Organise). • There is no possibility for the majority workforce to independently join up and/or unionize, as is the intention with Freedom of Association.
Lack of Effective Worker Representation	• Worker committees are known to be ineffective throughout Vietnam. • The Vietnamese Labour Code does not distinguish between workers and managers, failing to seize managers from participating as union leadership or interfering in union activity ⁷⁰. • There is a strong culture of trade union representatives and worker committees having representatives only from management, as these posts are seen to require competence (in education) and time – things that only management level employees would possess.
Lack of education & Poverty	• Lack of higher education caused by poverty can lead to fewer people feeling confident enough to engage in worker organizations. • Poverty, as is prevalent in the Mekong Delta, also leads to lower wages (as can be found with the farm workers).
Gender norms in society and among employees	• Traditional beliefs about what men and women are good at (e.g. 'kitchen work' for women and heavier work for men) can (unconsciously) influence the division of labour in the workplace. • These beliefs explain why no women were observed working on the farms, except in kitchen roles. Informal discussions during the fieldwork revealed a belief that women, particularly when they are menstruating, bring bad luck to the hatcheries. This belief may contribute to the observed gender division in farm labor.

⁷⁰ US Department of State, Country Reports on Human Rights Practices: Vietnam (2022)



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| | <ul style="list-style-type: none">• Traditional beliefs could also be the reason for why there were no female trade union representatives, since this role may be seen to be more appropriate for men. |
|--|--|



7. Recommendations

The negative impacts identified in this report are not directly caused by Jumbo. Nevertheless, the retailer is linked to these impacts because they take place in its value chain. As such, international guidelines expect Jumbo to address them to the furthest extent possible. Of course, this is done in collaboration with the distributors and suppliers.

The recommendations in this chapter have been formulated for Jumbo. Section A relates to recommendations specifically relating to this assessment and Jumbo's Pangasius value chain, whilst section B relates to broader recommendations for Jumbo in strengthening its due diligence processes, which in turn will address the impacts from the assessment. In regard to section B, Jumbo has been provided with detailed recommendations in separate communication, and the information found in this report is more on a general level.

A: Recommendations for Jumbo towards Pangasius value chain

Recommendation 1: Collaborate with suppliers on the Action Plans

International human rights and labour rights conventions stipulate and/or imply specific rights, some of which were found to not be fully materialised during this HREIA. The UN Guiding Principles on Business and Human Rights⁷¹, the OECD Guidelines for Multinational Enterprises⁷² and the EU legislation on due diligence Corporate Sustainability Due Diligence Directive (CSDDD) all require companies to manage, mitigate and cease negative impacts in their own operations and value chains. Jumbo is advised to:

- Formulate requirements for all the action plans that have been developed together with the other parties of this assessment.
- In addition to a time-bound and concrete action plan, the advice is to regularly monitor the progress of this action plan with the most important departments within Jumbo.
- In addition, it is important to monitor the progress of the planned actions together with the suppliers. This can become part of the regular consultations that take place between Jumbo and its suppliers.

Linked to the following impacts: All impacts.

Recommendation 2: Formulate requirements to increase *Effective Worker Representation*

In a country where Freedom of Association cannot be realised, it is essential companies develop ways to secure Effective Worker Representation. Lenk's supplier Lenk_Supplier_1

⁷¹ United Nations. Guiding Principles on Business and Human Rights (2011)

⁷² Organisation for Economic Cooperation and Development (OECD), OECD Guidelines for Multinational Enterprises, (2000).



had employees from their HR management team in the most senior roles of trade union representative and worker committee members. Seafood Connection's suppliers SC_Supplier_1 and SC_Supplier_2 did not have managerial positions as trade union representatives or in the worker committees, however this was not due to process but rather by chance. This can change in the future and so does not offer assurances that these suppliers in Jumbo's value chain will be as representative of the majority workforce in the future.

For all suppliers, workers had very little understanding of the worker committees and their election, and the worker committees had little mandate to bring up vital topics such as wages and occupational health and safety. Jumbo is advised to:

- Investigate whether it would be possible for one or all suppliers to engage in a Change Management Programme. This can create a long-term meaningful engagement between workers and management and between the suppliers and Jumbo. Apart from the benefit of improving workers' rights to organise, these projects can also carry many other positive impacts such as increase staff retention and improved productivity. Jumbo could either engage in a third-party that offers support within Vietnam, or alternatively develop its own Change Management Program.
- A Change Management Programme could include the following steps:
 - Step 1** - Understand Current State: Analyse existing policies and gaps in worker representation.
 - Step 2** - Engage Stakeholders: Identify and involve key stakeholders, including members in worker committees, workers, management, HR, and external consultants, to align on objectives.
 - Step 3** - Regulatory Compliance Check: Ensure alignment with national labour laws and international standards, such as ILO Conventions.
 - Step 4** - Set Clear Objectives and Goals: Set short term and long term goals together with suppliers.
 - Step 5** - Management Buy-In & Training: Train and gain commitment from management and workers to ensure they support worker participation, e.g. through webinars and regular dialogue.
 - Step 6** - Establish Guidelines: Define clear policies for worker committee operations, including roles, responsibilities, election processes, and decision-making protocols. Create policies for free participation and no retaliation.
 - Step 7** – Roll-out: Offer support for suppliers to roll out programme. Start with a pilot for one supplier and collect feedback. Then roll out to more suppliers if desired.
 - Step 8** – Provide ongoing support: Establish support systems for committees to ensure they are empowered and functional.
 - Step 9** – Monitor and Evaluate: Periodically review the effectiveness of the worker committee and worker engagement initiatives. Keep track of KPIs and continuously seek feedback.

Linked to the following impacts: No Freedom of Association, Lack of Effective Worker Representation, Lack of (Processes) to Ensure Effective Worker Representation, Low Wages.



Addresses the following root causes: Restrictions on Freedom of Expression, Bans on Freedom of Association, Lack of Effective Worker Representation, Lack of education and poverty.

Recommendation 3: Ensure all suppliers are prepared for ASC requirement on feed

ASC is developing a new standard, in which there will be requirements on all ASC certified pangasius suppliers to only provide feed from ASC certified feed producers. This new requirement will take some time to materialise, however it is vital all ASC farms are made aware of this requirement now, so they are prepared for when the requirement takes form. Jumbo is advised to:

- Jumbo to engage in dialogue with its pangasius distributors to ensure all suppliers are aware of the upcoming requirements so that they are prepared.

Linked to the following impacts: GHG emissions from feed, Sustainable sources in feed (potential impact from research).

B: Recommendations for Jumbo to Strengthen Due Diligence processes

Jumbo is advised to strengthen its due diligence processes based on the UNGPs, OECD Guidelines and upcoming CSDDD. This process includes a continuous wheel of actions; identifying negative impacts; managing, mitigating and ceasing these impacts; tracking progress; and external communication.

Recommendation 4 - *Identifying*: Develop Jumbo's selection process of HREIAs

In line with the UNGPs, OECD Guidelines and the upcoming EU CSDDD, companies are required to prioritise their due diligence efforts based on the *most adverse impacts*. Jumbo's selection process for products or commodities in future HREIAs can learn from this assessment. For example, this assessment has shown that the ASC certification standard, despite the general limitations of audits, is rather comprehensive. Further, it was made clear during this assessment that overtime was not an issue for this specific commodity. Overtime in turn can be linked to a whole array of other issues such as forced labour, forced overtime, excessive overtime, inadequate wages and safety concerns. Thus, these risks were in this value chain lowered. Jumbo is advised to:

- Make use of the learnings above and incorporate them into their future selection process for HREIAs within their risk matrix.

Linked to the following impacts: All identified negative impacts.



Recommendation 5 - Mitigating: Monitoring Corrective Actions for Social Audits

Within Jumbo's CSR Purchasing Requirements, there are requirements on specific third-party social audits for private label products produced in high-risk countries (country risk rating as defined by BSCI risk classification). These requirements will be further extended to include suppliers and producers from medium-risk countries from 2025 onwards.

As made apparent during the course of this HREIA, Jumbo's requirements on social audits could be strengthened further. Also, all social audits for all three suppliers referred to Vietnamese national labour law in regard to trade union activity and right to unionise. There were no issues raised in regard to Freedom of Association in any of the social audits. There was no mention of Freedom of Association not being implemented in Vietnam, that Vietnam has not ratified ILO Core Convention 87 and that the worker committees were closely tied to management through membership. This shows the limitations of social audits and how they must be read in conjunction with other sources of information relating to the country, region, industry, activity or business relationship. Jumbo is advised to:

- Develop its processes for reviewing and assessing third-party social audits.

Linked to the following impacts: All identified impacts, specifically Safe and healthy working conditions.

Recommendation 6 - Mitigating: Sustainability support for suppliers

In view of the recent and future legal and regulatory developments in relation to sustainability, such as the upcoming EU CSDDD, it is essential that Jumbo can work actively with its suppliers to engage in long-term projects and commitment. When making business decisions, it is important that Jumbo seeks to weigh in their suppliers' understanding and willingness to work on sustainability topics. Only then can negative impacts be successfully managed and mitigated or ceased.

It is of paramount concern that Jumbo works with contracting parties that are committed to the principles within Jumbo's Code of Conduct. During this assessment, it was made clear that in some parts of its value chain, there is a lack of knowledge on human rights, a fact that must be addressed. Jumbo is advised to:

- Ensuring a strategic and long-term relationship with suppliers to stimulate and secure investments in the field of sustainability.
- Offering strategic supplier training on topics such as freedom of association or CO₂ reduction, in order to help suppliers get started with these topics.

Linked to the following impacts: All identified negative impacts.



Recommendation 7 - *Mitigating*: Support within Jumbo internal departments in the field of Sustainability

In view of the developments in the field of sustainability laws and regulations (such as the upcoming EU CSDDD), it is increasingly important for organizations to broadly integrate sustainability within strategic policy choices and business operations within the organization. Jumbo is advised to:

- Increase awareness about sustainability within Jumbo through targeted training and by providing tools for employees.
- In line with international guidelines, our advice is to deal with this in a risk-based manner and to include the departments or employees who work with the most adverse risk commodities first and foremost.
- For the entire organisation, attention can be paid to the subject of sustainability through e-learning or more information on the internal portal.

8. Action plan

In response to the recommendations in chapter 7, the action plan below has been drawn up by Jumbo, in collaboration with the distributor Seafood Connection. For all action points, Seafood Connection and Jumbo need respectful conversations with suppliers. The timelines require that the conversations must have begun, and feedback must have been provided. It might take a longer time to fully take action on certain matters or to change certain structures.

No action plan was completed between Jumbo and Lenk as during the writing of this report, the contractual relationship between the two parties ceased for the time being.

Recommendation 1: Enable more effective worker representation		
Actions	Who	Timeline
Formulate requirements and follow up on progress for suppliers to develop ways to increase the effectiveness of the respective worker committees. This can include suppliers investigating obstacles, engaging in dialogue with workers, amending voting processes, developing policies and offering capacity building.	SC and SC_Supplier_1 + SC_Supplier_2	Q2
Enrol in a Change Management Program.	Jumbo and SC	Q2
Addresses the root causes:	Linked to the following impacts:	
Restrictions on Freedom of Expression, Bans on Freedom of Association, Lack of Effective Worker Representation, Lack of education and poverty.	No Freedom of Association, Lack of Effective Worker Representation, Lack of (Processes) to Ensure Effective Worker Representation, Low Wages.	

Recommendation 2: Contracts for all employees

Actions	Who	Timeline
Formulate requirements and follow up on progress for SC_Supplier_1 to provide contracts to all employees.	SC and SC_Supplier_1	Q1
Ensure there are processes that ensure this issue does not arise again in the future.	SC and SC_Supplier_1	Q1
Linked to the following impacts:		
Lack of contracts for 4 workers at one site.		

Recommendation 3: Improve standard of living

Actions	Who	Timeline
Formulate requirements and follow up on progress for SC_Supplier_1 to provide for electricity in all dorms.	SC and SC_Supplier_1	Q1
Expect supplier investigates how washrooms could be placed in closer proximity to the dorms.	SC and SC_Supplier_1	Q1
Addresses the root causes:		
Linked to the following impacts:		
Lack of education and poverty.	Inadequate living standard.	

Recommendation 4: Improve contractual rights

Actions	Who	Timeline
Formulate requirements and follow up on progress ensuring contracts to farm workers includes a clause or annex on accommodation (if worker stays on the farm).	SC and SC_Supplier_1	Q1
Linked to the following impacts:		
Inadequate contracts.		

Recommendation 5: Issue health insurance cards

Actions	Who	Timeline
Formulate requirements and follow up on progress to issue insurance cards to all workers.	SC and SC_Supplier_1	Q1
Linked to the following impacts:		
Access to healthcare.		



Recommendation 6: Introduce regular breaks		
Actions	Who	Timeline
Formalise breaks in contract and develop a work environment where workers often take breaks. Allow for 10-15 minutes of breaks in both morning and afternoon.	SC and SC_Supplier_1	Q1
Linked to the following impacts:		
No regular breaks.		

Recommendation 7: Improve Due Diligence process for sub-suppliers		
Actions	Who	Timeline
Develop an internal process whereby all subcontracted workers in value chain (harvesting, boat and truck) have their labour rights assessed and assured.	SC and SC_Supplier_1	Q1
Linked to the following impacts:		
Inadequate DD for sub-suppliers.		

