ILO-Japan Resilient, Inclusive and Sustainable Supply Chains (RISSC) project

Terms of Reference:

Research and analysis: decent work and responsible business practices in the aquaculture sector in the Philippines

(Philippines, July – November 2023)

June 2023
Background and context

The RISSL project

The “Resilient, Inclusive and Sustainable Supply Chains” (RISSC) project is a Japan-funded ILO project aimed at supporting a human-centred recovery from recent disruptions in the global supply chains. This includes demographic shift, climate change, technological advances, a new era of globalization and emerging governance framework as well as expanding due diligent requirements. The COVID-19 pandemic, together with rising geopolitical and trade conflicts, has exposed both the importance and fragility of global supply chains, especially in the global manufacturing hub of Asia and the Pacific.

Covering a three-year period (September 2022 - August 2025), the RISSC project will use selected global supply chains as an entry point for advancing decent work, harnessing the technical know-how and proven tripartite and consultative approaches of the ILO to identify and address critical risks and opportunities in the following sectors and countries:

1. Indonesia: Electronics manufacturing
2. Thailand: Automotive manufacturing
3. The Philippines: Aquaculture

Grounded in international labour standards¹, the project will enhance social dialogue and constituents’ capacity to deliver on decent work objectives in global supply chains – through policies and actions that improve both working conditions and industry competitiveness in tandem.²

The project will also engage constituents and key stakeholders from Japan, which is a major investor and partner in the sectors in Asia, and which is also expanding its efforts to promote resilient, inclusive and sustainable supply chains. By helping ILO constituents and key stakeholders better understand and address critical supply chain risks (particularly vis-a-vis labour rights and decent work), the project will thus support Japan’s efforts to apply its National Action Plan (NAP) on Business and Human Rights and new Guidelines on Respecting Human Rights in Responsible Supply Chains.

In the three focus countries, the RISSC project will implement a programme of work comprising three main outcomes (work modules):

1. **Analysis and Research** to better understand and inform actions to address decent work gaps and opportunities within the aquaculture supply chain (as defined by ILO tripartite constituents and industry partners)
2. **Development** of tools, policy advice, and trainings to enable action by constituents and other key stakeholders toward a more resilient, inclusive and sustainable aquaculture supply chain
3. **Support** ILO tripartite constituents and industry stakeholders to adopt policies and actions that advance decent work in these supply chains (including lower tier manufacturers/ suppliers)

In addition, the project will support Japanese constituents in implementing the new NAP on Business and Human Rights through a better understanding of decent work challenges and opportunities and tools to address risks in their global supply chains.

Falling under Outcome 1 of the RISSC project, the overarching aims of this research are to present a thorough mapping and analysis of the aquaculture sector in the Philippines vis-à-vis decent work and responsible business

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¹ Labour standards (ilo.org)

² The project will be guided by Declarations, including but not limited to, the ILO Declaration on Fundamental Principles and Right at Work and its Follow-up, adopted at the 86th Session of the International Labour Conference (1998) and amended at the 110th Session (2022), the ILO Declaration on Social Justice for a Fair Globalization (2008), the ILO Centenary Declaration on Social Justice for the Future of Work (2019), the ILO Global Call to Action for a Human-Centred Recovery from the COVID-19 Crisis that is Inclusive, Sustainable and Resilient, 2021.
conduct, to improve constituent/industry understanding of the issues and inform practical policies and actions to address them.

The aquaculture sector in the Philippines

As an archipelagic country, the Philippines is home to several marine based industries, including capture fisheries and aquaculture. Both sectors make a significant economic contribution by providing both informal and formal employment and livelihood opportunities, as well as serving domestic nutritional needs.

**Definition:** The UN Food and Agricultural Organization (FAO) defines aquaculture as the aquatic equivalent of agriculture, including the farming of both animals (including crustaceans, finfish and molluscs) and plants (including seaweeds and freshwater macrophytes). While agriculture is predominantly based on use of freshwater, aquaculture occurs in both inland (freshwater) and coastal (brackish water, seawater) areas.

For the purposes of the RISSC project's planned research and interventions, the aquaculture supply chain is defined as both the *production* and *processing* segments of farmed aquatic products, particularly those that are destined for export outside of the Philippines (e.g., to global markets).

**Sector Structure:** In the Philippines, the aquaculture sector constituted the biggest share of 55.1 per cent to the total fisheries production during the first quarter of 2023, with production registered at 545.64 thousand metric tons, which was higher by 1.7 per cent compared with the previous year.³

In 2019, the country was also the largest seaweed producer in the world (accounting for 4 per cent of global production, according to FAO, 2021), the 8th largest global producer of fish, crustaceans, molluscs and aquatic plants, including seaweed, with annual production of 4.41 million metric tons. The sector is a major source of domestic food supply, but it also has a modestly sized but high potential export segment which is connected to global supply chains.

Around 11.28 per cent of the 2.19 million municipal fisherfolk registered under the Municipal Fisherfolk Registration System (FishR) in 2021 were involved in aquaculture activities. However, due to the scale of informality in the sector, this is likely to underestimate the true size of the aquaculture workforce.

Aquaculture products mostly cater to domestic consumption. However, products such as seaweed and crabs are among the top exported commodity following tuna.⁴ Major destinations of aquaculture exports are the United States, Japan, United Kingdom, Germany, Spain, China, the Netherlands, and South Korea. With its growth potential, Japan is establishing strong trade relations with the Philippines in fisheries and aquaculture products.

**Decent Work:** Despite the sector's growing contribution to food security and social and economic development (including employment and rural livelihoods), workers in the aquaculture sector face significant *decent work deficits*, including poor working conditions, low wages and insecure incomes; informality and discrimination; violations of fundamental labour rights; child labour and forced labour; occupational safety and health hazards; and gaps in access to social protection, among others. Lack of organized presence of workers and employers' organization too is observed, meaning social dialogue and collective bargaining to advance decent work is highly constrained.⁵

Women's roles, participation and overall situation across the supply chain needs attention. Women are mostly found active in post-harvest activities and are often unable to participate in, and benefit from, the sector in the same way as men. Women are usually engaged in labour-intensive work that are often overlooked and

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³ *Fisheries Situation Report, January to March 2023*

⁴ Seaweed came second in terms of value, with the increase by 7.96 per cent from USD 198 million in 2020 to USD 213.80 million the next year. It comprised 18.80 per cent share of earnings of total export in 2021. In terms of volume and value, seaweed remained the top commodity with 59.82 per cent of share of total aquaculture production.

⁵ “Resilient, Inclusive, Sustainable Supply Chains: Advancing decent work in global supply chains to ensure no one is left behind”. Development cooperation project document, August 2022.
undervalued, marked by gender-based norms and stereotypes, gender-based violence and harassment at work, in informal arrangements, with low cost of remuneration and inadequate social protection, to name a few.⁴

To date, there has been limited engagement by national social partners in the aquaculture sector, for example to organize producers or formalize and integrate businesses into the export supply chain. This is also evident in the scarcity of data and other information to fully elucidate the current labour and employment situation. While ILO constituents have concerns and anecdotal evidence of decent work deficits across the supply chain, more research is now needed to pinpoint these deficits and the entry points more accurately for further engagement.

The proposed research will be a key area of work under the project. The results of which are envisaged to help define the project's strategies and action that will help aim address decent work deficits and will be critical in ensure sustainable growth and transformation of the sector and of the food systems at large.

Assignment objectives & scope

The study has 3 key objectives:

1. To map the structure, composition and status of the aquaculture sector and supply chain in the Philippines, with a particular focus on the export-oriented segment (production and processing).

2. To analyse decent work and responsible business practices in the sector and identify opportunities for addressing related deficits and risks.

3. To identify practical, stakeholder-specific recommendations to advance decent work and responsible business practices

Scope: The study will focus primarily on aquaculture products in the export value chain, including local and international enterprises both at the production and processing stage (and the linkages between the two), and in formal and informal settings, where relevant⁶. It will also make particular efforts to include Japanese companies and their suppliers.

Guideline structure for the report:

1. Research methodology: The methodology, which is to be developed in close consultation with the ILO, should adopt a mixed method approach, drawing upon both primary and secondary data collection and qualitative insights from the ILO tripartite constituents and other key industry stakeholders. It should be action-oriented and gender responsive and aligned with the overall goal of on informing policies and actions to advance decent work and responsible business practices in the aquaculture sector⁷. Area-based approaches can be applied for data collection / key informant interviews/ survey implementation (i.e. focusing on one or several geographical areas) and must include ILO tripartite constituents from the government, employers and workers' organizations, United Nations (e.g., FAO) and other relevant institutions and stakeholders that have mandate and done extensive work in the aquaculture sector (e.g. Department of Agriculture (DA), Bureau of Fisheries and Aquatic Resources (BFAR), among others).

2. Desk and literature review, to include the following:
   i. Overview of the key concepts (and their inter-linkages), namely decent work, due diligence and responsible business conduct/practices (as enshrined in the UN Guiding Principles on Business and Human Rights, ILO MNE Declaration, and other normative frameworks), and how they apply to the aquaculture sector in the Philippines.

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⁴“Resilient, Inclusive, Sustainable Supply Chains: Advancing decent work in global supply chains to ensure no one is left behind”. Development cooperation project document, August 2022.

⁵Key stakeholders in this regard being government, employers' and workers' organizations representing and active in the aquaculture sector, multinational enterprises and their suppliers in the Philippines, and the ILO.

⁶In this regard it will be important to examine whether informal enterprises and/or informal employment are part of the country's aquaculture export value chain.

⁷Including productivity: GB.346/INS/9: Promoting productivity ecosystems for decent work (ilo.org)
Annex I – Terms of Reference

ii. An updated profile and structural mapping of the aquaculture sector in the Philippines, including its economics and market structure (including domestic and international supply chain linkages), its employment and enterprise landscape/composition, its legal and policy framework (including industry plans and strategies), and its key stakeholders and institutions.

iii. Mapping of applicable industry regulations, standards and guidelines covering labour issues and social sustainability in the sector (and relevant to the Philippines). This may include national and international, and mandatory and voluntary standards/initiatives, and how they are currently applied (if at all).10

iv. Overview of the external context and macro-level drivers of change in the global aquaculture industry, and how they are affecting/likely to affect decent work prospects and outcomes in the sector in the Philippines specifically. As identified by the ILO, these drivers include technological change, climate change, consumer habits and demographics, trade and supply chain evolutions, and emerging governance trends (including supply chain due diligence requirements/standards).

3. Analytical chapter(s), to include the following:

i. **Review of current decent work and responsible business practices in the aquaculture supply chain**, i.e., how enterprises in the sector (particularly those in the export value chain) understand, promote and practice decent work and responsible business conduct. This may include reference to relevant mechanisms such as (implementation of) industry standards and guidelines, internal workplace policies, practices, learning and improvement activities, corporate codes of conduct, labour inspection and compliance regimes, third party labour/social auditing, voluntary or mandatory initiatives and certification schemes, and so on.

ii. **Analysis of the situation, challenges and opportunities in the sector vis-à-vis decent work and responsible business practices.** As aforementioned, the analysis should focus particularly on the export-oriented segment of the supply chain, and the linkages between domestic production and processing tiers in the Philippines (both formal and informal). Thematic issues under analysis should include:
   - Freedom of association and the right to collective bargaining
   - Forced labour and child labour
   - Occupational Safety and Health
   - Equality, inclusion and non-discrimination
   - Wages
   - Working time
   - Informality (and formalization opportunities), insecurity, and non-standard forms of employment (incl. labour outsourcing)
   - Social protection
   - Social dialogue and industrial relations
   - Skills development
   - Other current or emerging issues affecting decent work in the sector, including technological change and the just transition

iii. **Recommendations** on how ILO, constituents and key industry stakeholders can enhance decent work and responsible business practices in the aquaculture sector (including high potential areas for action and specific activities for consideration), in line with ILO core conventions and other relevant

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10 Examples include the Aquaculture Stewardship Council, Seafood Watch, and the Global Sustainable Seafood Initiative. A more comprehensive mapping will be required.
international standards. This should also include specific (and realistic) opportunities or entry points for the ILO to support the sector in these endeavours.

iv. **Validation Process:** Once an advanced report is ready, a stakeholder workshop will be co-organized by the ILO and the research partner / consultant, to discuss and validate the findings and recommendations, and build consensus on next steps for the sector and the RISSC project.

**Deliverables and timeline**

The consultant/service provider must deliver the following:

*During bidding period:*

- **Prerequisite:** Submission of a proposed research outline, as part of expression of interest, on or before **13 July 2023**

*After awarding of contract:*

- **Deliverable 1:** Research methodology (task 1) and report outline as approved by the ILO on or before **31 August 2023**

- **Deliverable 2:** Interim report containing desk/literature review (task 2) and analysis (task 3) as approved by the ILO on or before **20 October 2023**

- **Deliverable 3:** Final draft report and summarized PowerPoint presentation containing recommendations (task 4) with workshop outline and materials as approved by the ILO on or before **15 November 2023**

- **Deliverable 4:** Final report with inputs to and participation in tripartite validation workshop as approved by the ILO on or before **15 December 2023**

**Consultant profile and requirements**

**Academic requirements:**

- **Team leader:** (1) At least master’s degree in social science, sustainable development, labour law, or other industry-related fields, and (2) At least 7 years of research experience

- **Team researcher(s):** (1) At least bachelor’s degree in social science, sustainable development, labour law, or other industry-related fields, and (2) At least 4 years of research experience

**General requirements**

- Knowledge of the aquaculture sector in the Philippines

- Strong analytical, researching, report-writing, and communication skills

- Understanding of the ILO’s institutional mandate, Decent Work and Future of Work agendas.

- Understanding of human and labour rights, and how this interacts with business in global supply chains

- Prior experience working with the ILO’s tripartite constituents (employers, workers, and government) and industry stakeholders, particularly in the aquaculture sector

- English communication skills (written and verbal)

- Strong quality assurance skills and ability to execute complex tasks under time pressure

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11 In particular, it would be desirable to have an understanding of international labour standards, declarations, other international instruments and guidance, such as UN Guiding Principles on Business and Human Rights, OECD Due Diligence Guidance for Responsible Business Conduct, ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration), OECD Guidelines for Multinational Enterprises.
Knowledge of the ILO and/or other UN work environment and values would be an asset.

Advanced computer, presentation, and facilitation skills, including physical/virtual meeting platform setup and moderation.

**Contractual arrangement and payment**

- The successful bidder will receive a written contract from the ILO. The contract period is from (indicate schedule).
- Payment will be made to the completion of assignment to the satisfaction of the ILO. This cost is to cover consultancy fee and all other necessary eligible costs of the service provider.

Terms of payment for the service provider shall be made as follows:

- **First payment** will be paid to service provider upon submission and approval of the research methodology and report outline [DELIVERABLE 1]
- **Second payment** will be paid to service provider upon submission and approval of the interim report containing desk/literature review and analysis [DELIVERABLE 2]
- **Final payment** will be paid to service provider upon submission and approval of the final report and participation in the associated validation workshop [DELIVERABLES 3 AND 4]

**Ethical guidelines**

The consultant/service provider should adhere to international best practices if there is any case concerning the respondents in the interview or survey or workshop (if any), including the following standards:

1. Ensure that all respondents understand the purpose of research and analysis and how the results will be used.
2. Obtain informed consent from respondents and notifying them of their rights to confidentiality.
3. Notify participants that they are free to stop the interview at any time.
4. Maintain the anonymity of respondents during the collection and analysis of data.
5. Be sensitive to cultural norms during interactions with respondents.
6. Ensure that all data submitted is based upon genuine interviews of respondents that were selected on the basis agreed upon the designed research methodology.

**How to apply**

**Interested bidders are invited to submit the following documents to the ILO in English:**

1. Cover email with short expression of interest (<2 paragraphs, not exceeding 100 words)
2. Short technical proposal (<3 pages, not exceeding 3,000 words) outlining the proposed methodological approach and process for conducting the study, as well as a financial offer based on a daily fee expressed in USD.
3. Organizational profile and CVs/resumes of all proposed team members
4. Evidence of similar previous published works (up to two examples e.g., reports, analytical briefs, etc)

**Proposals should be submitted via email to** valencia@ilo.org **on or before 13 July 2023.**
For technical enquiries, please contact Ms Ana Liza Valencia, National Project Coordinator for the Resilient, Inclusive and Sustainable Supply Chain (RISSC) Project, ILO Country Office for the Philippines.