



Testimony of Jeffrey Rice
Senior Director of Sustainability
Wal-Mart Stores, Inc.

U.S. Senate Committee on Commerce, Science and Transportation
Subcommittee on Oceans, Atmosphere, Fisheries and Coast Guard

September 24, 2013

On behalf of Wal-Mart Stores, Inc. (Walmart), thank you for the opportunity to join you today and talk about sustainability and seafood procurement at Walmart.

We understand the importance of this issue and the impact it has on all of us - on our customers, suppliers, partners, and particularly our many Alaskan customers employed in the seafood industry.

Our customers depend on us for safe, affordable and healthy seafood for their families. They love Alaskan seafood, and so do we. We plan on selling Alaskan seafood to our customers this year, next year, and far into the future.

Our customers have high expectations of us, and they should. They expect that we will work together with our suppliers to ensure that all of the products they buy from us are produced, manufactured and harvested responsibly.

[Sustainability at Walmart](#)

Walmart maintains a strong commitment to sustainability. In 2005, we announced three broad goals toward becoming a more sustainable business. These include a commitment to be supplied 100% by renewable energy; to create zero waste from our operations; and to sell products that sustain people and the environment.

We have made significant progress in these areas. Our US Stores now divert over 80% of their waste from landfills through recycling, donations and composting programs. We now receive 21% of our energy from renewable sources globally, and we've improved the efficiency of our US truck fleet by 80% since 2005.

We've also worked with suppliers to improve the sustainability of our products across our business. From reducing packaging in toys to spreading best practices in agriculture and improving energy efficiency in factories, we're committed to collaborating with our suppliers to improve the sustainability of the products we sell. We believe customers shouldn't have to choose between products they can afford and products that are good for their families and the environment.

We have made significant progress on product sustainability through our partnership with The Sustainability Consortium (TSC) and our development of The Sustainability Index. TSC is a university-led, science-based, multi-stakeholder organization that is developing science based tools that allow retailers and suppliers to understand, measure and improve sustainability in their products.

Administered by the University of Arkansas and Arizona State University, there are currently over 100 member organizations involved in TSC's work. These include retailers such as Walmart and Kroger, as well as restaurant chains like McDonald's and Darden, and suppliers like Coca Cola, Tyson Foods, Dell, and others.

In addition, several agricultural producer groups are members of TSC, including the National Cattleman's Beef Association, Dairy Management Inc. and Cotton, Inc. TSC membership also includes over a dozen academic institutions, civil society organizations, and government agencies.

Together, members of TSC and other invited experts take the best science and input to develop practical tools to inform decision makers and improve sustainability across the supply chain.

These tools form the basis for Walmart's Sustainability Index, which allow our product buyers to evaluate how their suppliers are performing on sustainability, and also gives buyers and suppliers key recommendations for how they can work together to improve the sustainability of the products our customers buy. From electronics to shampoo, from cereal to holiday toys, TSC and the Index are helping us deliver on our commitment to sell products that sustain people and the environment.

Requirements of Fresh Seafood Suppliers

As part of this initiative, we are committed to promoting seafood sustainability worldwide. Walmart implemented a policy in 2006 and updated it in 2011, which requires all fresh and frozen, wild and farmed seafood products we sell:

- become third-party certified as sustainable using Marine Stewardship Council (MSC) or Best Aquaculture Practices (BAP);
- become third-party certified under standards that equivalently lead to sustainable fisheries;
- be currently under assessment for such certification; or
- be part of a credible fishery improvement project (FIP) or fishery management program.

We're very pleased that over the last two years, Walmart and Sam's Club have purchased well over 50 million pounds of fresh and frozen seafood from Alaska that meets these commitments, and we're confident that we'll be able to continue to purchase seafood from Alaska that meets these requirements well into the future. After all, our goals are shared goals: to continue to provide our customers with delicious and sustainable Alaskan seafood for years to come.

Where We Have Been and Our Path Forward

Alaskan fisheries have been meeting our sustainable seafood policies and have demonstrated a strong commitment to ensuring the viability of the fishery. Recently, the Alaska Seafood Marketing Institute (ASMI) engaged an external party to develop a new sustainable seafood standard and certification. The Alaskan seafood industry has also taken steps to move away from Marine Stewardship Council toward this new standard.

We respect ASMI's decision to take this step. Our goal is to ensure, in a credible way, that we're sourcing from sustainable fisheries. As outlined in our policy, we believe strongly that there can and should be multiple standards and certifications that demonstrate sustainable fisheries.

We are committed to an open and transparent dialogue with our suppliers and other stakeholders about the standards and policies that govern our sustainable sourcing programs. We are not experts on sustainability, however, and we are certainly not experts on fisheries management.

Because of the emergence of the new certification schemes, including the ASMI initiated Responsible Fisheries Management certification, we have identified the need to engage a third party to develop the principles and criteria that standards must meet to demonstrate that they lead to sustainable fisheries.

To this end, we have asked The Sustainability Consortium to lead an open process to develop these criteria and principles that will give us the confidence we need that standards and certifications lead to sustainable fisheries. We'll work with the TSC to build these into the sustainability index.

Our Ask of Certification Systems (ASMI, MSC and Others)

We will continue the dialogue with ASMI on how we meet our shared goal of selling sustainable Alaskan fish to our customers.

We encourage ASMI and the Responsible Fisheries Management program, as well as other certifications, to engage in the open process with The Sustainability Consortium to develop principles and criteria to evaluate sustainable fisheries. ASMI has received an invitation to participate in a TSC workshop to develop these criteria in October. We hope they will attend.

If through that process there are areas where the Responsible Fisheries Management certification used by ASMI can be improved, we are committed to working in good faith with ASMI to address those opportunities.

Together, we can meet our shared goals and the expectations of our shared customers for sustainable fisheries. We expect to continue selling our customers the Alaskan seafood for decades to come.