

Trident, High Liner, Sysco suspend buying from Chinese processor over North Korean labor allegations

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By [Tom Seaman](#) | Feb. 26, 2024 17:16 GMT



□ Dalian Haiqing Food Co. whitefish processing plant. Source: Dalian Haiqing Facebook page

Trident Seafoods, High Liner Foods and Sysco Corp. have all suspended business with a large processing firm in China, Dalian Haiqing Food Co., over a new bombshell report by the Outlaw Ocean Project over the use of North Korean labor.

Having created a storm in the seafood sector last year with the revelations of Uyghur labor in Chinese processing plants, Outlaw Ocean director Ian Urbina has turned his team's focus to North Korean workers.

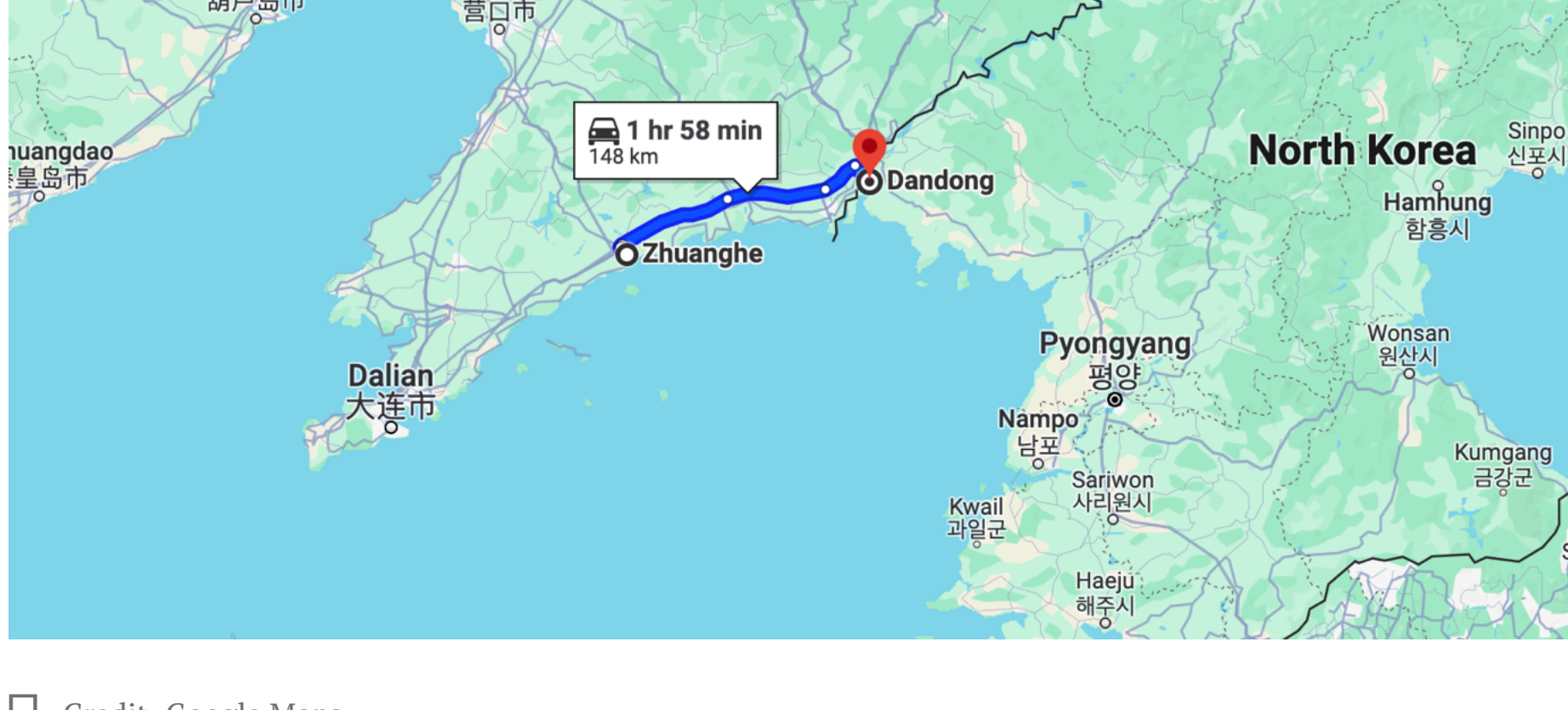
The latest story, which is published in full by [The New Yorker](#), investigates the use and alleged abuse of North Koreans in Chinese seafood processing. In 2017, when North Korea launched a series of nuclear and ballistic missile tests, the United Nations and the US prohibited the purchase of products produced by North Korea's exported workers.

The workers are sent from North Korea to countries such as Russia, Poland, Qatar, Uruguay and Mali, according to the report, with a portion of their wages paid to North Korea's government in Pyongyang. There are reportedly as many as 100,000 North Korean workers in China, with some 80,000 in Dandong, a seafood processing hub between Dalian and the border with Kim Jong Un's hermit kingdom, according to the article.

Urbina's latest report contains allegations of physical and sexual abuse, even forced prostitution, of North Korean workers, who are predominately female, in the Chinese plants.

Haiqing is the largest and most global player in the report, but Dandong Galicia Seafood, Dandong Yuanyi Refined Seafoods, Donggang Xinxin Foodstuff, and Donggang Jinhui Foodstuff are some other companies also cited.

Galicia, Jinhui, Xinxin and Yuanyi are all based in Dandong itself, which is on the Chinese border with North Korea. Haiqing, one of the largest salmon and whitefish processors for export in China, is based in Zhuanghe City, a drive of around two hours west of Dandong and the border with North Korea. It's another two-hour drive to Dalian, the capital of Liaoning province and another seafood processing hub (see below).



□ Credit: Google Maps

Outlaw Ocean claims Haiqing and Galicia employed as many as 50-70 North Korean workers as recently as December 2023. Haiqing denied it employed any North Korean workers to Outlaw Ocean. Galicia did not respond.

Qu Zhenhai, the boss of Haiqing, did not respond to a request for further comment from *Undercurrent News*.

Trident, High Liner and Sysco all notified Outlaw Ocean they suspended dealing with Haiqing in late January while they make further investigations, having initially been contacted on Jan. 12, in communications which the NGO has made public.

According to trade records, Trident was buying from Haiqing as recently as December. The company was "the consignee for shipments of seafood, including pollock," from the Chinese company between October 2017 and December 2023.

Pickenpack Seafoods, Trident's Germany-based European processing operation, was also buying from Haiqing in 2020, 2021 and 2022, according to Outlaw Ocean.

High Liner, meanwhile, was buying seafood from Haiqing, including cod and pollock, between August 2017 and August 2023. Sysco was buying from Haiqing between June 2018 and March 2021. High Liner [dropped a Chinese supplier](#) accused of using Uyghur labor after the previous Outlaw Ocean report.

Trident said it is "suspending trade" with Haiqing on Jan. 25 while "structuring our own investigation in collaboration with an independent third party to provide on-the-ground support," its vice president of communications, Alexis Telfer, told Outlaw Ocean.

On Feb. 23, Telfer responded to a Feb. 6 email from Outlaw Ocean, in which the NGO outlined its evidence of Haiqing's alleged use of North Korean workers, who were then subject to physical and sexual abuse.

She outlined actions taken by the company since the initial contact on Jan. 12.

"Continued investigations are somewhat hampered by our limited need to be on-site at Haiqing given their suspended trade status with Trident," wrote Telfer. "We are by no means finished with our investigations or efforts to further strengthen our CSR [corporate social responsibility] program."

After suspending dealings with Haiqing, "Trident engaged transparently with key customers -- some of whom had already been contacted directly by OOP [Outlaw Oceans] and were aware of the allegations, while others had not," wrote Telfer.

Trident "expedited an independent, unannounced audit, including external surveillance and a site walk-through, and conducted employee and management interviews prior to the Chinese New Year and Spring Festival holidays in early February," she said.

The company also "engaged selected members" from its CSR and Food Safety and Quality Assurance (FSQA) teams in China "to ascertain if potential red flags had been missed either in their observations or reporting," wrote Telfer. "We are thoroughly reviewing our CSR program for gaps and improvement opportunities."

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Now Chinese New Year is over and companies are back at work, Trident has "resumed discussions with our China teams and have dug deeper to understand if they had unrecorded observations."

Trident has "not been able to identify suspicion or evidence of North Korean workers at Haiqing," based on its analysis of the findings of the unannounced audit, previous Sedex Members Ethical Trade Audit (SMETA) audits, and reports from and discussions with Trident's on-site FSQA and CSR employees.

"There is no clear gap in our CSR program to explain how we could have failed to detect a large number of North Korean workers at the Haiqing campus," she wrote. "Regardless of our inability to independently substantiate the OOP allegations, we are proceeding on the assumption that they could be true and we're taking action accordingly. We have not resumed trading with Haiqing."

Trident said it operates an "industry-leading CSR program which includes initiatives to proactively detect possible human rights violations," he said.

"To date, our CSR audits and program initiatives have successfully detected unacceptable work conditions that periodic independent third-party audits have missed, including evidence of exploited populations (although, not at the Haiqing plant)."

The company is looking to bolster its team by increasing the number of Trident CSR officers in China "to diversify our approach and communication style with leadership and the workforce."

Telfer concluded her email by stating the company supports "the Outlaw Ocean Project's mission to advance human rights and supply chain transparency in China," saying, "we're grateful for the light that you are shining on where the industry is falling short."

She offered an in-person or digital meeting with Joe Bundrant, CEO of Trident, to Outlaw Oceans' Urbina.

Having briefly met Urbina in Washington, DC, at the Congressional hearing around alleged labor abuses in the Chinese seafood sector, Bundrant "would welcome the opportunity to further expound on our commitment in person or on a Teams call," Telfer said.

High Liner, Sysco exchanges

The exchanges with High Liner and Sysco are not as long as with Trident.

After a back-and-forth, High Liner communications vice president Jennifer Bell confirmed on Jan. 25 that business with Haiqing was suspended "effective immediately while further information is gathered and assessed for the purposes of our investigation."

Bell also asked to hear directly from the Outlaw Ocean investigator and source who visited the Haiqing plant.

She said High Liner conducted third-party audits of the three Haiqing plants it buys from in 2022 and 2023. The audit results indicated no presence of North Korean labor, she wrote.

On Jan. 26, Outlaw Ocean asked if the audits had been announced or unannounced, as well as other additional questions, to which Bell did not respond.

Ramit Plushnick-Masti, a Sysco spokesperson, also told Outlaw Ocean the company audited suppliers but did not respond on whether they were announced or unannounced.

"Sysco instructed suppliers to suspend production of our products at all facilities associated with Dalian Haiqing Food as we investigate these allegations," Plushnick-Masti wrote.

Outlaw Ocean also asked about imports made from Sysco France and Cite Marine, a European processor owned by Japan's Nissui Corp., from Haiqing. Sysco did not respond to this, however.

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