



SUMMARY REPORT

Combating Transnational Organised Crime in the Fishing Industry: Global Challenges and International Cooperation

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Ricardo Serrão Santos MEP and Chair of the “*Biodiversity and Ecosystem Services*” working group of the EP Intergroup on “*Climate Change, Biodiversity, and Sustainable Development*” welcomed participants by highlighting the importance of tackling this topic taking into account that fight against Illegal Unreported and Unregulated (IUU) fishing is very high on the agenda of the EU and within the Parliament. It was said that IUU fishing can take place linked to criminal activities such as corruption, fraud, money laundering, and tax evasion. It was said that IUU fishing may be related to these criminal activities but is not considered a crime itself. It was stated that there are different legal frameworks to tackle IUU fishing activities by use of a vessel and fraudulent activity throughout the supply chain. The importance of coordination and cooperation among authorities to tackle both areas was stated as pivotal. Further, experience and reinforcement of fishing control activities is one more tool to be used to detect and combat organised crime associated with fisheries.

Olga Kuzmianok, United Nations Office on Drugs and Crime (UNODC) outlined the work that UNODC have been doing in close cooperation with the government of Norway and other partners focusing on ongoing research into the investigation, prosecution of cases at all levels in the fisheries value chain. An overview of fisheries crime versus IUU was provided; there is much overlap and interconnection between IUU fishing and fisheries crime and it is important to realise the links between fisheries violations and organised criminal activities in the fisheries sector. It was said that states do not often criminalise IUU fishing and criminal offenses can occur which fall beyond the scope and management of fisheries authorities in different stages of the fisheries value chain. Such offenses are serious and criminal but are not addressed because they occur within the fisheries sector. It was stated that fisheries crimes are defined as serious offenses that occur along the fisheries value chain, both on and off shore, in one or more stages of the fisheries value chain. Corruption, fraud and forgery, tax crime and organised crime were listed as the four categories of fisheries crime, and these types of crimes happen at different stages of the value chain from preparation, fishing, processing, and landing to transportation and sale. Cases were presented to demonstrate how the four categories manifest in each stage of the value chain. Taking the first two categories of fraud and forgery and corruption, serious criminal offenses such as document forgery, bribery, embezzlement are committed in the preparation stage to obtain licenses and permits. In the processing stage, such crimes are committed to fraudulently report the catch, in the landing stage to conceal the quantity of the species landed, and in the transportation of the product. Crimes are also committed at each stage in the form of tax crimes as well as organised crimes that can be directly linked to the fisheries sector such as human trafficking, drug trafficking, and human rights abuses. Given the seriousness of the offenses associated with fisheries, the UNODC finds that the traditional fisheries compliance



approach is inadequate. IUU fishing cannot be viewed in isolation from other criminal activities in the fisheries value chain. The UNODC has taken steps to address the challenges relating to investigating and prosecuting fisheries crimes such as the non prioritisation of fishery related crimes, the lack of domestic and international cooperation, and the difficulties of obtaining information, with the 2017 Fishnet Programme to enhance the capacity of developing countries and to facilitate cooperation. Further UNODC recommendations were identified relating to improving the available information on fisheries crime with research and the development of resource guides, as well as improving the capacity of states to regulate, detect, investigate, and prosecute crimes in the fisheries sector and to cooperate on the international level.

Alistair McDonnell, Environmental Security, INTERPOL provided the case study of illicit activity related to the Antarctic tooth fish fishery. This is a good example of transnational organised crime business models. It was noted that for the last four years INTERPOL has facilitated transnational enforcement cooperation between over 30 jurisdictions in this case study. These are all jurisdictions that have been impacted in one way or another by the infringement activities of IUU vessels fishing in the Southern Ocean. Those jurisdictions were carefully chosen by the operators. They include the Company registers, the banking and insurance services, the fishing vessel registries, the port states where the catch was landed or containerised in transit, the states where the tooth fish is processed, and the states where it is imported and consumed. In the international enforcement community it involved agencies exchanging intelligence and analysis contributed by multiple jurisdictions, it involved operations at sea, detentions of vessels in port and interception of containerised trade in the product. These activities have led to investigations of nationals, the captains and officers of vessels and beneficial owners. They have also included financial investigations, prosecution under criminal laws, administrative sanctions and in the case of the fishing vessel THUNDER prison sentences for the Captain and two of his officers, not for illegal fishing activities but for other maritime offences. This is a deliberate INTERPOL strategy to target the infracting behaviour of the business model whether that is facilitating the illicit catches or fraud in the trade to turn the fish into money. Many of these activities such as intelligence analysis or Highest Risk Vessel Inspections included INTERPOL investigative support. Additionally it was said that they all involved direct cooperation between and at the request of INTERPOL member countries. In many of these jurisdictions a Fishery Officer bears the responsibility for checking the fishing vessels. It was noted however that often while the Fishery Officer is examining the vessels, profits and value disappear behind his back. Such values go above and beyond just the proceeds of the sale of the fish. They could be derived from many areas including license fees diverted to private bank accounts, and tax and customs revenue. Additional losses could come in the forms of illegal activity impacts on the fish stocks eroding the management benefits of development aid, declining investment values and raw material supplies to value added processing industries, loss of access to markets from catches made by vessels on flags that do not exercise control over their fleet, resulting in potential impacts on inward investment flows, and loss of food for today for some of the poorest nations. In order to combat such losses, and aid the fishery officer, it was said the INTERPOL wants to connect him to a multi-agency, transnational enforcement and regulatory network. INTERPOL showed a generic model based on the EU regional Common Fisheries Policy IUU plan with Single Liaison Offices in designated authorities which



conduct mutual assistance functions within other regional competent authorities, and verification functions with third countries. In other countries or regions these could be called focal points, designated points of contact, or secretariats, the basic principle is the same. In the middle there is a “Whole of Government” approach which connects the officer to other agencies in what was identified as a national maritime domain awareness hub. One of those agencies is the police, and the police in one country can connect through their National Central Bureau to National Central Bureaus in 191 other INTERPOL member countries. In addressing the wider definition of value losses due to criminal or other illicit activity it was concluded that when transnational cases are examined INTERPOL always sees a requirement for financial investigative support, asset recovery skills, restraint orders, financial evidence from other jurisdictions, and mutual legal assistance. In fisheries cases it is rare to see these skills deployed early enough, efficiently enough or with the necessary commitment. There are emerging models such as the North Atlantic Fisheries Intelligence Group that bring Customs, Tax and Fisheries together. More usually at the national level by the time fisheries, tax or customs authorities get together or engage with other countries the money, assets and value has all disappeared. Fish is just money to the criminals.

[YoonJee Kim, Fishery Officer, Trade and Regulatory Affairs, FAO](#) emphasised the importance of recognising that illegal, unreported, and unregulated fishing is a broad and complex concept. In this regard, when examining illegal fishing in a broader criminal context, it is extremely important to build on various national, regional and global efforts to combat IUU fishing. Cooperation amongst port, flag, coastal and market states and with relevant regional fisheries bodies is key. The importance of leveraging the respective expertise, relationships and resources of the various intergovernmental organizations when delivering technical assistance was also highlighted. IUU fishing not only involves evasion and avoidance of or non-compliance with existing global, regional and domestic fisheries management and conservation measures and laws within and beyond national jurisdiction but also covers situations where existing laws do not apply or where there are no laws in existence. The scope of the activities covered by IUU fishing law has been expanded with the entry into force of the FAO’s Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing (PSMA), to include “fishing related activities,” meaning that a broader range of activities along the fisheries value chain fall under IUU fishing. Enforcement actions to combat IUU fishing are not solely limited to the administrative law realm. Countries have introduced criminal law and procedural considerations that include use of strict liability and vicarious liability, reversal of burden of proof and expanding the powers of authorized officers under fishery laws and relevant measures. In order to develop such enforcement and control arms, countries have made significant investments – in time, resources and institutional restructuring, policies and coordination efforts. Future efforts, including technical assistance and capacity building initiatives, must build on these entry points and pathways. This includes building on various domestic and regional initiatives that implement key international instruments. Coordination and cooperation on multiple fronts is vital in order to address the complex and transnational nature of IUU fishing and criminal activities involving the fishing industry. Linking to the role of FAO, the FAO Umbrella Programme was presented that aims to strengthen national and regional governance and reinforce monitoring, control and surveillance systems. The Umbrella Programme will aid countries in the implementation of the PSMA and



complementary international instruments, including the Global Record and the recently adopted FAO Voluntary Guidelines for Catch Documentation Schemes. Overall the PSMA works to prevent fish caught from IUU fishing from entering national and international markets by prohibiting the entry into and use of ports by foreign vessels engaged in IUU fishing. The importance of market measures were highlighted that represent new sets of tools to promote and improve transparency along the seafood value chains. The binding legal framework of the PSMA that entered into force in 2016 empowers states' enforcement capacities and enhances detection and investigation actions. Furthermore, the binding legal nature of the agreement boosts the complementarity and synergy across various existing international instruments that contribute to the cooperation between states, RFMOs and IGOs. As concluding points, the importance of cooperation and collaboration and to build on past and on-going efforts to prevent, deter and eliminate IUU fishing, promote the trade of legal products and sound conservation and management measures were underscored. When it comes to partnership amongst various UN Agencies, opportunities for coordination in technical assistance, sharing of information and best practice for capacity development were noted.

Pawel Swiderek, Deputy Head of Unit “Illegal, Unreported and Unregulated Fisheries Policy”, European Commission, DG MARE outlined that tackling fraudulent activities that businesses run by organised transnational groups is difficult. It was said that offences like corruption, tax evasion, trafficking, and forced labour and related challenges are affecting the fisheries sector as any other organised crime. Regarding the crimes that are taking place across supply chains it was said that no response will be effective without multinational and multidisciplinary approaches. Cooperation between authorities both at national and international levels is necessary for preventing these crimes. It was said that national contact points must be established across agencies and nations. Additionally it was recommended to establish clear rules of engagement and to improve intelligence and data sharing as well as capacity building. The Commission participates as observer at the INTERPOL "Fisheries Crime" Working Group and supports the work of INTERPOL in the context of the fight against Illegal, Unreported and Unregulated (IUU) fishing activities. The Commission encourages EU Member States and all other countries to use INTERPOL networks (as operational crime prevention and enforcement cooperation framework) when IUU fishing offences are linked to crimes. Moving to the fight against IUU fishing, while the EU is doing a lot, it was said that all actors of the fishery sector must take responsibility regarding international obligations. It was emphasised that international rules have been established and continue to evolve that everyone must comply with in order to take an active stance against IUU fishing. Effective implementation of such obligations and commitments is paramount for the objective to eliminate and deter IUU fishing. If there is an infringement it is essential to impose effective, proportionate and dissuasive administrative sanctions depriving the offenders of the accrued benefits. By promoting cooperation it was said that the EU is contributing to the creation of interagency frameworks necessary to efficiently fight against IUU fishing. This can have a direct impact in better tackling crimes occurring in the fisheries industry.

João Escudeiro, Fisheries Inspector from Portuguese General Directorate of Natural Resources, Security and Maritime Services, Portugal presented the case study of the Kabou Case/Red Case. It was outlined that in the beginning of June 2006, the Norwegian authorities inspected the fishing vessel Kabou in the Barents Sea. At that time the vessel had the Guinea Summary Report – Combating Transnational Organised Crime in the Fishing Industry, 23 November 2017



Conakry flag and the IMO 6614700 and IRCS XXA-182; additionally it was noted that the colour of the vessel was green. Norwegian authorities seized the vessel fined the captain and the owner for illegal fishing and notified the North East Atlantic Fisheries Commission (NEAFC). Further, it was said that NEAFC listed the vessel in the A-IUU list with the IMO 6614700. A picture then was shown of a white vessel named Kabou, with the IMO 6614700 - IRCS XXA-182, that had caught fire in 2002. Following the fire, the owner bought a new vessel named Lootus with an Estonian flag and IMO 6706084. It was said that Lootus was the same green vessel that was inspected in the Barents Sea with the name Kabou. In August 2006, the ship came to the port of Aveiro in Portugal and was subjected to an inspection with the participation of Norwegian inspectors invited by the Portuguese authorities. Following the inspection the vessel departed from the port of Aveiro in September. In 2008 a vessel named "RED" with IRCS 3EJ13/ IMO6706084 and Panama flag arrived at the port of Aveiro, Portugal. With the cooperation between NEAFC, Greenpeace and the Portuguese and Norwegian authorities, it was concluded that the RED was actually the Kabou with the IMO of Lootus. After the situation was detected, the RED vessel was listed in the IUU B-list. It was prohibited from leaving the port or receiving any port services and was eventually demolished.

Stephane Vrignaud, NOAA Fisheries Representative to the EU, U.S. Mission to the EU emphasised that the U.S. government is committed to combating IUU fishing. While it was recognised that in some instances transnational organised crime may be affiliated with IUU fishing, it was stated that the U.S. does not support classifying IUU fishing itself as a transnational organised crime. The U.S. finds that such a classification would criminalise activities that are, in many cases, regulatory infractions most appropriately handled through administrative sanctions. The regulatory system of the United States was discussed and references were made to the Magnuson Stevens Act, which is the primary law governing fisheries management in the United States federal waters. The Seafood Import Monitoring Program was also mentioned, which is a regulation dealing with traceability and seafood fraud of imports. Coming into force on January 1st of 2018, this law allows for verification of the legality of imports that are coming into the U.S. territory. Additionally, the Lacey Act focuses on trade, allowing for sanctions of establishments that are engaged in the import, export, sale, acquisition of wildlife, fish and plants in violation of U.S. law. It was said that the laws are enforced at many levels and by many agencies including the U.S. Department of State, Department of the Interior, Department of Commerce, Department of Justice, USAID, and many others. On the international scene, the U.S. believes that good international cooperation and engagement is essential. In this regard it was outlined that the U.S. is present in a number of organisations, supporting the work of ICCAT, FAO, Interpol and many others. It was concluded by reiterating that such organisations are critical for cooperation, enforcement, capacity building and sharing of best practices.

Isabel Artime García, Director General of Fisheries Resources, Spain outlined that IUU has become one of the most pressing threats to our nations, endangering the future of the seas, species of the natural environment, as well as the human communities. It was stated as very complex to assess the impact of IUU fishing; the Global Ocean Commission estimates millions lost yearly. It was said that the fight against IUU fishing is so important that the international community intends to eradicate it by 2020. Given the global dimension of this problem, international involvement is necessary as in a globalised world these activities



involve main actors from many different countries. The UNODC has stated that there is a clear connection between transnational organised crime in the fisheries sector and IUU fishing. The EU legal framework highlights the wide range of behaviours that can be considered IUU fishing and every country in Europe in terms of the legal framework may choose either the administrative way or the criminal way to combat IUU fishing. It was outlined that the experience from Spain has found that although the administrative way can be highly useful in certain areas it does not mean that we can give up the criminal way when it comes to serious infringements. From the Spanish perspective the basic challenges relate to jurisdiction and obtaining enough information to make the case, and a key element for success is international cooperation. Spanish law takes steps to combat these challenges and to investigate and prosecute fisheries crime by improving the legal framework and facilitating cooperation. In 2015 and 2016 investigations have been carried out in conjunction with EU, Interpol and third countries showcasing that cooperation works and international cooperation can be effective. The Spanish experience finds that the existence of legally binding frameworks and international collaboration is essential for achieving the sustainable development goals.

Steve Trent, Executive Director, Environmental Justice Foundation focused his presentation on human trafficking, slavery, and human rights violations in relation to the Thai seafood industry. It was said that this is highly linked to transnational organised crime and its connection to IUU fishing is clear. The Thai seafood sector employs around 800,000 people, supporting exports worth of around six billion US dollars. Of all these workers, roughly 90% are migrants from neighbouring states, including Cambodia, Laos and Myanmar. It was said that until very recently, a very large number of these people were being trafficked into Thailand. Without legal documentation they were being subject to forced bondage and slave labour being placed into these vast fishing crews. Investigations from the EJF both on shore and at sea identified instances of repeated violent abuses of these workers and these findings have been corroborated by an UN interagency project. It was also noted that much has recently been done by the Royal Thai Government to combat these abuses. It was emphasised that central to the drivers behind these human rights abuses is the massive extent of the IUU fishing. Looking to the future it was found that the same basic changes to the architecture of the national regional and global fisheries management regimes that will prevent IUU fishing are the same mechanisms that will help combat transnational organised crime in the fishing industry. It was highlighted that many of the initiatives proposed, which include implementing unique vessel identifiers, electronic monitoring systems, and accessible data logs are low cost, practicable and possible. Further, it was highlighted that vessels flying under flags of convenience should be addressed and that countries that are unwilling to take responsibility of these vessels need to be named and shamed. The importance of the implementation of the Port State Measures Agreement (PSMA) was reiterated. It was concluded by stating that the mechanisms are in place calling for the political will and awareness to implement change.

The discussion with the audience provided experience also from Norway outlining how the difference between fisheries crime and IUU fishing is viewed. The purpose of a demarcation between IUU and fisheries crime is to clearer reflect the mandate of national institutions and international organisations. IUU fishing is linked to fisheries management and the responsibility lies with the Ministry of Fisheries. When dealing with criminal issues however, Summary Report – Combating Transnational Organised Crime in the Fishing Industry, 23 November 2017



looking at Norwegian legislation all compliance legislation has a chapter on criminal liability. If the fisheries offense is serious enough, then it is regarded as a crime, and falls under the responsibility of the Ministry of Justice. In Norway illegal fishing is a crime since the 1930s. It was said that if the Ministry of Justice seeks international cooperation they deal directly with the organisations mandated to work on crime. On the operational side it was said that when investigating a fisheries crime case they use the tools that are available for police cooperation, such as Interpol and Europol. Norway stressed that they fully support the work against IUU-fishing in FAO and the implementation of the PSMA agreement and does not see the efforts being done against fisheries crime as a competition. The fisheries crime perspective could however be relevant when implementing the PSMA agreement. One example is capacity building on anti-corruption in order to avoid the rise of "ports of convenience". Anti-corruption is under the mandate of UNODC as the guardian of the UN Convention against Corruption. The discussion further raised the importance of having a good compliance strategy and the need to ensure deterrence, which is not often working in areas of transnational organised crime reiterating the importance of enforcement agencies. The importance of implementing the Port State Measures Agreement was reiterated. With regards to criminalising IUU fishing it was highlighted that there is no value in this, but rather comprehensive implementation of international obligations and effective structures to tackle IUU fishing activities as the solution. It is also important to look at the economic aspects of the phenomenon. With regards to this it was also commented that it is important to have a legal perspective, underlining that states need to look at what the most appropriate tools are and to ensure adequate sanctions. It was said that this is done differently depending on the state but in order to tackle each violation the right fines and possible sanctions need to be decided accordingly. With regards to legislative support it was commented that when talking about relevant conditions for provision concerning administrative sanctions it is not just about simple conditions. It was said that the entire process is about understanding the scope and control of the administrative authority and this requires clear mandates between respective ministries and government bodies. This is a complex process as it includes procedure and operationalisation of that procedure as well as incorporating provisions into the fisheries law. In addition, when drafting the laws they must be balanced with the constitutional rights afforded to the citizens. The discussion further highlighted that there is still much to be done in the EU as well as other countries and suggested that best practices be shared. It was further asked how many cases Interpol handles per year related to fisheries. In response it was said that Interpol deals predominantly with the operations of IUU fishing vessels, serial document fraud, corruption and customs fraud. It was noted that they do not investigate but support member countries in their investigations further reiterating the importance of cooperation and collaboration.

Ricardo Serrão Santos MEP and Chair concluded the meeting by reiterating the importance of continued cooperation towards fighting against IUU fishing as well as combating transnational crimes in the fishing industry. It was said that the discussions will surely continue in the European Parliament on IUU fishing and that he will continue to raise awareness, call for cooperation and push to further combat international organised crime in the fishing industry.