

# Cutting the lines to IUU fishing: Five actions governments can take

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## Executive Summary

Illegal, unreported, and unregulated (IUU) fishing is a global phenomenon that depletes fish stocks, harms local communities and marine ecosystems, creates unfair market competition, and deprives governments of billions of dollars in tax revenue each year.<sup>1</sup> IUU fishing is notoriously difficult to tackle, not least because it usually occurs far from shore. Pursuing violators can mean patrolling remote waters and crossing multiple jurisdictions.

But there is another way to help tackle the problem: denying IUU fishing operations access to critical support services. These services include vessel maintenance, fuel

bunkering, insurance, and non-essential satellite communication. Several international agreements already require governments to act against any or all service providers who provide support to IUU fishing, and many nations have codified such sanctions into their laws. Despite these good intentions, it remains rare for governments to follow through with sanctioning service providers engaged in business with known IUU fishing vessels.

In this policy brief, we outline five actions that governments should take to cut the lines of support that IUU fishing vessels rely upon.

### We call on governments to:



Ensure national laws make the provision of support services to any IUU fishing vessel illegal, regardless of flag or where the IUU fishing occurs.



Share information on IUU fishing vessels with other governments, relevant entities, and businesses that provide services to fishing vessels.



Require businesses to improve due diligence to ensure they do not support any IUU fishing vessels, beginning with vessels listed on the [Combined IUU Fishing Vessel List](#).



Penalize service providers who support vessels confirmed to have engaged in IUU fishing, ensuring penalties are sufficient to deter such support.



Require vessels flying their flag or accessing their waters to state their beneficial owners.

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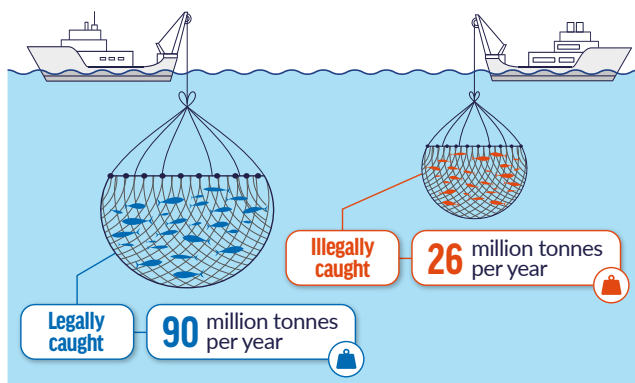


### References:

<sup>1</sup> Temple, A. J., Skerritt, D. J., Howarth, P. E., Pearce, J., & Mangi, S. C. (2022). Illegal, unregulated and unreported fishing impacts: A systematic review of evidence and proposed future agenda. *Marine Policy*, 139, 105033.

## Introduction

Illegal, unregulated, and unreported (IUU) fishing accounts for a significant proportion of global catch.<sup>2</sup> Current reported fish catches hover around 90 million tonnes per year,<sup>3</sup> and most recent estimates put the annual amount of fish caught illegally as high as 26 million tonnes.<sup>4</sup>



IUU fishing includes a range of activities, from the misreporting of landings to outright violations of laws and regulations. It can deplete fish stocks, harm local communities and marine ecosystems, deprive governments of billions of dollars in tax revenue each year<sup>5</sup>, and worsen food insecurity, with developing countries at greatest risk. Furthermore, some IUU fishing is linked to international organized crime<sup>6</sup> and has been associated with labour violations, money laundering, drug trafficking, and human trafficking.<sup>7,8</sup>

IUU fishing can happen far from shore and is sometimes carried out by large-scale operations across many jurisdictions. For example, **one vessel** found to be illegally catching Antarctic toothfish was owned by a Spanish company, flew the flag of Indonesia, was detained in Thailand, fled to Senegal, and shipped its illegal catch to

Vietnam. Because of this scale and complexity, companies from one nation may violate the laws of that nation by onshoring illicit revenue from illegal activities abroad. This example and many others like it show that IUU fishing affects all nations, creating unfair competition everywhere.

The global nature of IUU fishing also makes it challenging to pursue and sanction the beneficiaries of IUU fishing activities. Culprits may reside outside the jurisdiction of the authority trying to sanction them and may use legal loopholes such as fishing with the flag of a country without the political will or capacity to monitor fishing vessels bearing its flag. Furthermore, fines or sanctions are generally levied on vessels or their captains, rather than holding the ultimate “beneficial” owners accountable.

Because of these difficulties, governments and businesses have started using an additional tool: depriving IUU fishing vessels of certain critical services like vessel maintenance, fuel bunkering, insurance, and non-essential satellite communication.



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- 7 Belhabib, D., & Le Billon, P. (2022). Adjacency and vessel domestication as enablers of fish crimes. *Frontiers in Marine Science*, 9, 936174.
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## ✂ How to cut the line

IUU fishing vessels, like all large-scale fishing vessels, rely on key services to operate, including:

- At-sea fuel supply, known as fuel bunkering
- Crewing agencies, which hire out seafarers in various locations
- Satellite services for navigation, weather forecasts, and communication
- Insurance against loss or damage
- Transshipment, or the transfer of catch to other vessels at sea
- Supply of equipment such as replacement parts and fishing gear
- Classification societies or third-party entities providing official certifications of standards
- Banking, to facilitate making and receiving payments

Just as governments make it illegal to drive a getaway car for a bank robber, they can make it illegal for businesses to provide services to IUU fishing vessels. A study<sup>9</sup> on marine insurance has suggested that this strategy could be effective, but putting the necessary legal mechanisms in place is a multi-step process. Many nations have already agreed to start the process through their membership in regional fisheries management organizations (RFMOs). Five RFMOs require members to take action against their nationals (including citizens and companies) if they provide services to verified **IUU fishing vessels**.

The next step is for governments to ensure national laws are in place that prohibit support for IUU fishing. Effective laws will share certain elements, for example, they will ban nationals from supporting IUU fishing anywhere, including on the high seas and in the waters of other nations. They will also set out penalties that are sufficient to deter support for IUU fishing, rather than merely adding to the cost of doing business. Some governments and intergovernmental organisations have already taken this step; the European Union (EU), for example, has a **legal framework** that prohibits its Member States' nationals from supporting IUU fishing. Other leading fishing nations such as Taiwan, South Korea, and the United Kingdom have similar laws, but, at the time of writing, others such as China, Japan, and the United States do not.

Once a legal framework is in place, it is crucial that penalties are enforced. To date, states have issued warnings to companies, but it is not clear whether any nation has sanctioned a service provider for supporting IUU fishing. According to a **2022 study** by the European Commission, the sanctioning of nationals that engage in or

support IUU fishing activities outside of EU waters has occurred only on rare occasions.

Once nations enforce their laws, it is important that the penalties are sufficient to deter the behaviour. A **2022 report** from the European Court of Auditors found that the fines levied against IUU fishers are often much less than the profits available from IUU fishing. The bigger picture remains unclear because there is little to no public information on the number of infringements found by nations and the fines they imposed.



### 📄 References:

- <sup>9</sup> Miller, D. D., Sumaila, U. R., Copeland, D., Zeller, D., Soyer, B., Nikaki, T., ... & Pauly, D. (2016). Cutting a lifeline to maritime crime: marine insurance and IUU fishing. *Frontiers in Ecology and the Environment*, 14(7), 357-362.



## Widening the net

Governments must take the lead in fighting IUU fishing by demanding more action from service providers and by expanding international information sharing.

An important step is for governments to require service providers to screen new and existing clients and deny services to known IUU fishing operators. Key tools in this effort are the lists of verified IUU fishing vessels maintained by RFMOs and consolidated on the [Combined IUU Fishing Vessel List](#). As of May 2023, fewer than 360 vessels were registered, and relatively few are added each year. Therefore, screening clients would not pose a serious burden for service providers, especially for larger companies, which often use sophisticated risk management software to collate data.

Because the IUU fishing vessel lists are not comprehensive, Oceana and other organizations are working on additional tools to help service providers screen more broadly for bad actors. For example, Vessel Viewer, an online tool piloted by Ocean Risk and Resilience Action Alliance, Global Fishing Watch, and TMT, combines the IUU fishing vessel lists with other indicators of risk to help insurance companies make decisions about what vessels to insure.

Once vessels are added to IUU fishing vessel lists, RFMOs and their members should share

the detailed evidentiary basis for the listing, as some already do. States should also share relevant information through INTERPOL or other international initiatives that aim to tackle IUU fishing.

As information sharing expands, governments should encourage other nations and RFMOs to use this information and join the effort to cut IUU fishing vessels off from support services. For example, they should encourage RFMOs to require that all their members sanction service providers that support IUU fishing operators. RFMOs and their members should proactively share information on possible IUU fishing activities, their associated service providers, and the beneficial owners of the vessels involved.

Finally, to confirm that necessary action is being taken, governments should gather information from service providers operating in their jurisdictions on actions taken to avoid supporting IUU fishing vessels. They could do so through voluntary or mandatory requests for information.

These measures would complement proposals to expand information sharing more broadly. For example, Oceana has [called on](#) the EU and its Member States to create a public register of EU-owned vessels registered under non-EU flags and to identify nationals owning vessels in high-risk, non-EU countries.



### Conclusion

Some governments, RFMOs, and other organizations are taking commendable actions in the fight against IUU fishing. However, to effectively combat this transnational problem they must take more comprehensive and effective measures. By actively cutting off the services that IUU vessels rely on, they can expand their interventions to match the scale of the problem. It is imperative for governments to start putting their full authority behind this effort.

Additionally, governments can increase effectiveness by expanding international information sharing. Doing so will invite cooperation from more nations and engage the entire business network that potentially supports IUU fishing. Together, governments and business can significantly improve their chances of mitigating the pervasive and damaging practice of IUU fishing. By uniting their efforts, they can help secure a better future for our oceans and all those who depend upon them.

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