

Cases and materials on illegal fishing and organized crime



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PREFACE

Illegal, unreported and unregistered fishing is a major global problem. Seafood worth billions of dollars is being harvested illegally annually.

In the Fisheries resolutions of 2008 and 2009 the UN General Assembly:

“Notes the concerns about possible connections between international organized crime and illegal fishing in certain regions of the world..”

There exists a huge amount of indications on such links in various newspaper articles and reports. It is, with a few exceptions, few countries, organizations or scholars that have studied such possible links.

This is a small collection of cases and other types of materials which suggests that there exists links between fishing and various types of organized crime.

This publication is just a collection of already published material. The text itself is unedited and the full reports where the citations have been found are publicly available.

Gunnar Stølsvik

Head of project

The Norwegian national advisory group against organized IUU-fishing

Chapter 1

General indications

UN General Assembly resolution on Sustainable fisheries, including through the 1995 Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks, and related instruments (25 November 2008)

59. *Notes* the concerns about possible connections between international organized crime and illegal fishing in certain regions of the world, encourages States, including through the appropriate international forums and organizations, to study the causes and methods of and contributing factors to illegal fishing to increase knowledge and understanding of those possible connections, and to make the findings publicly available, bearing in mind the distinct legal regimes and remedies under international law applicable to illegal fishing and international organized crime;

**A national study of crime in the Australian fishing industry
Judy Putt and Katherine Anderson
Published by Australian Institute of Criminology (2007)¹**

The entrepreneurship of criminal groups is evidenced by overseas experience. This demonstrates how organised crime can be involved in domestic fishing sectors, and can use both fish and fishing vessels to facilitate trade in illicit goods and illegally sourced resources. The increasing demand globally of high value, low volume seafood products (for example, shark fin, bêche-de-mer, seahorses, the restaurant live fish trade, aquarium fish, abalone, rock lobster, native fish) means that they may be traded for and with other illegal commodities, for example, drugs, arms, and people (human trafficking/sexual slavery). However, the level of organised criminal involvement in the fishing sectors varies within and between countries, with much of this evidence pointing to fishing vessels being used to facilitate other criminal activity. Known examples include:

- COC² groups linked to the fishing industries of South Africa, Australia and New Zealand
- active links between FSU³ and COC organised crime include other commodities, apart from fish, for example, timber, ferrous and nonferrous metals and gold in the RFE⁴

¹ <http://www.aic.gov.au/documents/5/D/6/%7B5D6D36A1-3D6F-47BA-82AC-56DA79114CA6%7Drpp76.pdf>

² Chinese Organized Crime

³ Former Soviet Union

⁴ Russian Far East

- FSU groups are reputedly involved in arms smuggling, fraud, car theft and drug trafficking and COC groups are linked to abalone and shark smuggling, illegal rhino horn and ivory trading, drug importation and distribution, money laundering, tax evasion, human trafficking and trade in contraband goods in South Africa (Gastrow 1999; United States. Drug Enforcement Administration 2002; Watts 2003)
- active OMCG⁵ involvement in a variety of crimes, including the use of fishing vessels to transport drugs, and the possible infiltration by FSU crime groups of Canada's west coast fishing industry (Royal Canadian Mounted Police 2001).

As organised crime increases its involvement in this sector, there is evidence emerging that many of the groups such as COC, FSU crime groups, Yakuza (Japanese organised crime groups) and OMCG are developing cooperative arrangements to facilitate the supply and distribution of a range of illegally obtained or illicit commodities. In the RFE, FSU crime groups, the Yakuza and COC allegedly cooperate over commodities such as fish and timber (Curtis et al. 2003), with FSU crime groups and COC also cooperating in the supply of drugs and alcohol, human trafficking, illegal immigration and gambling.

Systematic criminal involvement in the international traffic of illegally sourced fish products is facilitated by networking between different crime groups, as and when the need arises. A wide range of criminal activities may be associated with the illegal trade, including the concealment of financial transactions and profits. These crimes include violence, corruption, fraud, and money laundering, with the transfer of the proceeds of crime across networks and national borders through such methods as transfer pricing and underground banking (McCusker 2005; Willetts 1998).⁶

**Results of a pilot survey of forty selected criminal groups
in sixteen countries
Published by UN Office of Drugs and Crime (2002)⁷**

The scope of activities that OMCGs engage in has been adapted to both changes in risks and profits. These cover a wide range of crime types, including: trafficking in counterfeit goods, serious fraud, insurance scams, money laundering, armed robbery, illegal immigration, organized prostitution, extortion, manufacturing of firearms/ammunition, trafficking in explosives, trafficking in endangered species, murder, assault, arson, tax evasion, social security and licensing fraud and illegal fishing.⁸

La Cosa Nostra has penetrated a range of economic sectors in the region, including the construction, waste disposal, wine, abattoir and fishing industries. The group has an estimated average annual income of about US\$ 6 million, about half of which is accumulated through illegal activities.⁹

⁵ Outlaw Motor Cycle Gangs

⁶ Page 23 - 24

⁷ http://www.unodc.org/pdf/crime/publications/Pilot_survey.pdf

⁸ Page 96

⁹ Page 112

Illegal Fishing in the Exclusive Economic Zone of Japan
Shelley Clarke, Imperial College London
Published by MRAG (2007)¹⁰

Notable trends in domestic illegal fishing include organized crime gangs turning to easily harvested invertebrates for the luxury market in China.¹¹

Turning to domestic incidents, the Coast Guard reports highlight a particular concern with gang-related illegal fishing activities. Heavy media coverage of illegal fishing incidents in 2005 is believed to have sparked a diversification in the nature of these activities (Japan Coast Guard 2007a). While the Coast Guard indicates the largest gang-related activities are centred on sea urchin, abalone and top shell (SAZAE, *Batillus cornutus*), the latest worrying trend is toward gang-related harvest of sea cucumber to serve the rapidly expanding demand in China (Japan Coast Guard 2007a).¹²

Contextualising illegal, unregulated and unreported fishing of marine resources in South African waters

Shaheen Moolla

Paper commissioned by the Institute of Security Studies, Cape Town¹³

IUU fishing of abalone stocks is perhaps the best-documented and most popular example of how a fishery collapsed due to poaching. Abalone is a popular target for poachers because of its exceptionally high demand in South East Asia, which is the destination for more than 95% of South Africa's legally and illegally harvested abalone, as well as the farmed abalone stock. Its demand in South East Asia is complemented by the fact that it is also a lucrative commodity in South Africa, where its sale pays for drugs, human trafficking for prostitution, counterfeit products and organised crime more broadly.¹⁴

¹⁰ http://www.mrag.net/mrag/Documents/IUU_Japan.pdf

¹¹ Page 24

¹² Page 25

¹³ <http://www.feike.co.za/web/news/AbaloneISS%20Paper.pdf>

¹⁴ Page 5

Chapter 2

Drugs related offences

Fish piracy, Combating Illegal, Unreported and Unregistered fishing OECD (published 2004)¹⁵

It may be that in some theatres the purchase of IUU fishing vessels is used as a means of disposing of money from other illegal operations, such as drugs. Indeed, although wildlife crime (including IUU fishing) was until recently thought to be opportunistic rather than organized, there is evidence that it is now much more organized.

Report on foreign fishing vessel security issues in the Pacific Islands region Tony Martin Published by the Secretariat of the Pacific Community (2005)¹⁶

There are recorded instances of fishing vessels being apprehended with contraband cigarettes onboard. In large quantities this represents a loss of government excise revenue but more often liquor and cigarette smuggling is at low levels. It is suspected, however, that foreign fishing vessels have been involved in other more serious forms of smuggling – drugs and weapons. Again, as with people smuggling and trafficking, there is a dearth of reliable information. It is surmised however that large drug hauls in PICs in recent years (a crystal methamphetamine laboratory, as well as large heroin and cocaine seizures) could only have been imported using foreign fishing vessels. Arms smuggling has generally been associated with logging ships rather than fishing vessels but some have observed that it would be relatively easy to smuggle such items inside frozen fish.

Cocaine trafficking in West Africa the treath to stability and development Published by UN office on drugs and crime (2007)¹⁷

On 21 April 2006, the British Navy sighted a fishing trawler they suspected to be a Ghanaian vessel (the MV Benjamin) carrying a multi-ton consignment of cocaine in the Atlantic Ocean, heading towards the West African coast. They promptly relayed the information to the Ghanaian Narcotic Control Board and continued to monitor the vessel until it was 40 nautical miles south of Tema, the main sea port in Ghana, keeping the Ghanaian authorities apprised. Unfortunately, the Ghanaian authorities did not take action until 27 April, six days after the tipoff from UK counterparts. The boat was searched, but only one bag of 30 kg of cocaine was found. At the request of the Ghanaian Minister of Interior, a fact finding commission was set up to establish the reason for the slow reaction time of the Ghanaian authorities and the small amount of cocaine seized. The committee established that the boat was actually carrying

¹⁵ http://www.oecd.org/document/38/0,3343,en_2649_33901_33737510_1_1_1_1,00.html

¹⁶ <http://www.spc.int/Coastfish/Reports/HOF5/FFVsecurity.pdf>

¹⁷ http://www.unodc.org/documents/data-and-analysis/west_africa_cocaine_report_2007-12_en.pdf

77 bags, or about 2.3 tons of cocaine. The head of the national drug control committee resigned after this incident and criminal proceedings are pending.¹⁸

The maritime shipments tend to involve large commercial fishing or freight “mother ships”, often specially modified for cocaine storage. These same ships are likely to ply the other maritime routes to Europe. According to a September 2007 report from Europol:

Three main sea routes to Europe have been identified: the Northern route, leading from the Caribbean via the Azores to Portugal and Spain; the Central route from South America via Cape Verde or Madeira and the Canary Islands to Europe and, more recently, the African route from South America to Western Africa and from there to Spain and Portugal.

These ships discharge their cargo at sea to fishing vessels from the West African coast. According to Europol, the crews of these smaller vessels are West African, with Spanish or South American “controllers”.¹⁹

Transnational organized crime in the West African region Published by UN office on drugs and crime (2005)²⁰

Most strikingly, he also reported the seizure by Spanish authorities of no less than 7.5 tons of cocaine on 11 October 2003 in a ship in international waters 128 kilometres off the coast of Portugal, en route to Spain. This is the second largest drug seizure ever made in Spain. The drug was concealed in a Spanish fishing vessel, *South Sea*, and had probably been loaded in international waters after the ship had anchored in Cape Verde. The *South Sea* had also spent some time anchored off the port of Dakar. The crew of the ship was arrested and further arrests were made in both Spain and Cape Verde.²¹

¹⁸ Page 12

¹⁹ Page 19

²⁰ http://www.unodc.org/pdf/transnational_crime_west-africa-05.pdf

²¹ Page 12

Chapter 3

Trafficking and human smuggling

Trafficking of men – a trend less considered. The case of Belarus and Ukraine Report of the International Organization for Migration (2008)²²

Belarusian and Ukrainian men were, by and large, trafficked for forced labour – in 99.1 per cent and 98.2 per cent of assisted cases respectively between 2004 and 2006. The most common form of forced labour was within the construction industry; other sectors included agriculture, factory work and fishing.²³

Of note were the 33 Ukrainian males who were trafficked in 2005 and 2006 as sailors and seamen – 20.4 per cent of victims assisted in 2006 and 0.9 per cent in 2005. In this case, the men were exploited on two ships in the Russian sea by a Russian company. Their migration was organized by a Ukrainian recruitment company, which promised work on a Japanese ship. The proposed salary was between 1,200- 1,600USD, depending on qualifications, and the men signed what they believed were legal contracts in addition to paying one months salary as a recruitment fee. In Russia, they were informed by the partner company that the contracts from Ukraine were not legal and that they would also be paid less than promised. The company took the men's documents on the pretext of registering them for work but never returned them. The men were transported to the ship (which was Russian, not Japanese) where they were put to work fishing illegally for crab (not the work promised). Rooms on the ship were filled with water to knee level, the men worked long hours every day (allowed to sleep no more than three hours a night and not every night), food was poor and insufficient, they lacked fresh drinking water (they were sometimes forced to drink salt water or water from icebergs), access to the toilet was limited and they were forced to work when ill. Abuse was exacted against those who complained and few received any payment. They were held in these conditions for a period of between six to ten months, freed only when the Russian border guard service detained the ship (IOM case file).²⁴

Sex trafficking: inside the business of modern slavery Siddhart Kara Published in 2009 by Columbia University Press

The last form of human trafficking Colonel Chindavanich discussed was the one he considered the most atrocious. “The trafficking for forced labor in fishing is the most violent,” he said.

²²

http://www.iom.int/jahia/webdav/site/myjahiasite/shared/shared/mainsite/published_docs/serial_publications/MRS-36.pdf

²³ Page 10

²⁴ Page 60

They are mostly Cambodian boys trafficked to the town of Aranya Prathet by bus. From there, a Thai agent takes them to the town of Samut Sakhon, on the coast south of Bangkok. The boys are taken to sea where they are forced to catch the fish twenty hours a day for many months. The ship captains force the boys to take amphetamines so they can work nonstop. Other ships come from the coast and transfer the fish, but the boys are kept on the ship.

I asked Colonel Chindavanich what happens to the fishing slaves at the end of the season. He said that many were shot and thrown into the sea. The phenomenon has been increasingly common throughout East Asia, South Asia, and even Eastern Europe and Africa. Ukrainian boys are trafficked for forced labor on Russian fishing boats in the Black Sea and young boys in Ghana are forced to work in the deadly fishing operations on Lake Volta. Countless lives are extinguished at the end of the fishing runs, so that profits for wholesalers remain high and prices for fish-hungry consumers remain low. Beyond the fishing runs, forced labor tactics are used throughout the supply chain, from processing to packaging of seafood for distribution throughout the West, most prevalently in the \$1.5 billion shrimp markets of Bangladesh and Thailand.²⁵

Exploitation of Cambodian men at Sea
Published by UNIAP (UN Inter-agency project on human trafficking)
22. April 2009²⁶

An estimated thousands of Cambodian men, women, and children are trafficked annually to Thailand for the purpose of labor exploitation. Some of the worst exploited are the men and boys who are deceived onto long-haul fishing boats that fish the waters of the South China Sea, including into Malaysian waters. These boats, out to sea for up to two years or more, become virtual prisons on which the trafficking victims endure inhumane working conditions, and physical abuse. Death at sea is frequently reported, sometimes at the hands of the Thai boat captains. The only way to escape is to jump ship when the boat goes ashore for registration/documentation purposes in places like Sarawak, Malaysia.²⁷

There are some variations in the scenarios faced by these men and boys, but the common theme is deception and debt bondage by two or more Khmer and Thai brokers; their sale to a Thai boat owner for 10,000-15,000 Baht; slave-like working conditions at sea, including beatings, deprivation of food, inhumane work hours (for example, working 3 days and nights straight when nets need to be mended), lack of medical treatment for illnesses and injuries, and threats of death; and sometimes, reportedly, murder.

Virtually all of the men and boys reported enduring the following exploitative conditions and treatment: beatings to the head and body; threats to life; trauma from witnessing violence, death, and murder; inhumane working hours (sometimes up to three days and nights straight); sleep and nutritional deprivation; and extremely hazardous, sometimes life threatening, working conditions. All of the long-haul boats seemed to be out to sea for two years or more, served by supply boats providing supplies, fuel, ice, and new workers (and picking up fish) while closer to Thailand, and making cyclical stops to the Sarawak shore while in Malaysian

²⁵ Page 169

²⁶ http://www.no-trafficking.org/reports_docs/siren/siren_cb3.pdf

²⁷ Page 1

waters. According to the victims, men are traded from boat to boat in the open sea as manpower needs change.²⁸

**Report on foreign fishing vessel security issues in the Pacific Islands region
Tony Martin**

Published by the Secretariat of the Pacific Community (2005)²⁹

In addition to the movement of illegal migrants through airports, the use of vessels, particularly fishing vessels, is a serious concern. As airport border security is strengthened, including by the use of the Advance Passenger Information system, the use of vessels becomes more attractive to people smuggling syndicates. They rely on there being little interest in foreign fishing vessels which can arrive in remote areas (their shallow draft permits this) or anchor in or near ports and transship people ashore using local pleasure craft.

²⁸ Page 5

²⁹ <http://www.spc.int/Coastfish/Reports/HOF5/FFVsecurity.pdf>

Chapter 4

Corruption and Money laundering

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Judy Putt and Katherine Anderson
Published by Australian Institute of Criminology (2007)³⁰

Systematic criminal involvement in the international traffic of illegally sourced fish products is facilitated by networking between different crime groups, as and when the need arises. A wide range of criminal activities may be associated with the illegal trade, including the concealment of financial transactions and profits. These crimes include violence, corruption, fraud, and money laundering, with the transfer of the proceeds of crime across networks and national borders through such methods as transfer pricing and underground banking (McCusker 2005; Willetts 1998).³¹

Report on foreign fishing vessel security issues in the Pacific Islands region
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Published by the Secretariat of the Pacific Community (2005)³²

All foreign fishing vessels use an “underground” banking system. Services are bought on a ‘cash on demand’ basis – fuel, repairs and maintenance, ship’s stores etc and payments are made in cash, including Customs duty.

Large sums of money are involved and it is often questionable whether a cash transaction is legitimate or is in effect money laundering.

In its Review of IUU fishing in developing countries, the Marine Resources Assessment Group noted a ‘striking relationship’ between the level of governance of a country and its vulnerability to IUU fishing. Good governance appears to go hand in hand with good Monitoring, Control and Surveillance systems and procedures, the political will to enforce regulations, cooperation on surveillance with neighbours, the elimination of possibilities for IUU fishing activity, and active participation in regional and sub-regional fisheries agreements.

³⁰ <http://www.aic.gov.au/documents/5/D/6/%7B5D6D36A1-3D6F-47BA-82AC-56DA79114CA6%7Drpp76.pdf>

³¹ Page 24

³² <http://www.spc.int/Coastfish/Reports/HOF5/FFVsecurity.pdf>

Corruption is a reflection of the lack of transparency and good governance, as well as imperfections in the market. It is in effect a payment for EEZ waters fishing access and rights.

These sentiments express the views of many of those interviewed in the course of the Project. Corruption associated with foreign fishing vessel activity in the Pacific region was seen as endemic at all levels. The growth of the tuna industry has given rise to opportunities for corrupt practices which may range from failing to negotiate the best fee for fishing access licences, failing to report or follow up cases of IUU fishing, illegally issuing extensions to or retrospective fishing access licences.³³

Cover photo: jdn/flickr

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