

REPORT OF THE FAO EXPERT WORKSHOP ON TRANSSHIPMENT AND
ILLEGAL, UNREPORTED AND UNREGULATED (IUU) FISHING

ADVANCED DRAFT

Rome, June 2018

Background to the Workshop

Distant fishing grounds offer new fishing possibilities and opportunities to fishing operators willing to expand their activities. In return, however, they imply substantial cost and logistical implications. As consequence, to enable operators maximizing their benefits by reducing costs associated with leaving fishing grounds to enter a suitable port, transshipments were developed and rapidly became widespread as a common cost-reduction measure.

In spite of the impact that transshipment operations have on fisheries and their widespread use, these remain sometimes unregulated and often insufficiently monitored and controlled. While the Agreement on Port State Measures lays down standard effective control measures at port, vessels can still transship and be resupplied in remote locations without returning to port frequently. In some cases, this lack of control can be exploited by certain operators who engage in illegal, unreported and unregulated (IUU) fishing activities to avoid inspection in port and circumvent marketing regulations.

To this end, the Thirty-second session of the FAO Committee on Fisheries (COFI) encouraged FAO to undertake a global study on transshipment activities including:

- i) a review of current regulations and at sea transshipment practices, and consider which, if any, at sea transshipment activities should be authorized;
- ii) guidance on specific control mechanisms where transshipments are authorized and regulated;
- iii) review at sea transshipment authorization and notification procedures, reporting and transparency requirements and other tools used to provide independent monitoring and control over transshipment.

Following COFI's request, a first draft report of the study entitled "Global Study on Transshipment; Regulations, practices, monitoring and control¹", was prepared by FAO comprising a literature review, a global stakeholder survey and several case studies. In February 2018, FAO convened an Expert Workshop on Transshipment and Illegal, Unreported and Unregulated (IUU) Fishing, hereinafter referred to as the Workshop, with the aim of reviewing the first draft and provide further inputs to the Global Study by invited experts from different areas of the world.

Objectives

The objectives of the Workshop included:

- reviewing the first draft report of the Global Study on Transshipment prepared by FAO
- collecting further information on the transshipment practices and regulatory control applied on the expert's regions of experience
- drawing up recommendations to be considered by COFI at its thirty-third session

¹ COFI/2018/SBD.15. Global Study on Transshipment and IUU fishing

Workshop arrangements

The Workshop was organized by FAO and held at FAO Headquarters (Rome) from 21 to 23 February 2018. Ms Alicia Mosteiro, FAO Fishery Officer, acted as Chair of the meeting.

Twelve experts from the main fisheries regions in the world with proven experience related to transshipment operations and nine FAO resource persons participated in the Workshop. Experts participated in their personal capacity and not as representatives of any country or organization. The full list of participants is attached as Appendix A.

The Workshop Agenda is attached as Appendix B.

Introduction to the draft report on the Global Study on Transshipment

Regulation Review

The Workshop was informed about the details of the regulation review carried out for the study, noting that it consisted of a comprehensive review on transshipment, particularly regarding its role and impact on IUU fishing. This regulation review was based on a detailed revision of the regulatory control measures adopted by 11 RFMO's, 4 coastal States and the European Union. In total, approximately 114 Regulations and 197 Articles were reviewed around 7 themes:

- regulations specific to transshipping;
- authorization and notification;
- other MCS measures including VMS and VDR;
- IUU measures;
- inspection and surveillance at-sea;
- port State measures;
- transparency; and
- observer schemes.

Global Stakeholder Survey

The Workshop was enlightened on the Global Transshipment Stakeholder Survey specifically developed for the study. It was noted that the survey was conducted through a web-based questionnaire, that was adjusted to target separately: States, RFMO's, private stakeholders and NGO's. The survey obtained responses from 91 States, 14 RFMOs, three industry groups and four NGOs.

Concerning the States and RFMO's questionnaire, the following themes were treated:

- regulatory framework for transshipment;
- transshipping practices and drivers;
- impact and risks of illicit or irregular transshipment operations;
- MCS measures applied to control transshipments.

And referring NGOs and private stakeholders:

- the regulatory framework for transshipments;
- the economy and logistics of transshipments;
- impact of IUU fishing;
- the application of MCS measures.

Case Studies

The Workshop discussed different transshipment practices conducted by several States from the African, Asian and Latin American regions and the following RFMOs:

- Northeast Atlantic Fisheries Commission (NEAFC)
- Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR)
- North Pacific Fisheries Commission (NPFC)
- Western Central Pacific Commission (WCPC)

The experiences on transshipment practices revealed that flag States possessing distant water fleets, as well as RFMOs, are increasing control and monitoring of vessel activities. Control and monitoring systems reported included electronic monitoring systems (EMS), electronic-reporting systems (ERS) and observer coverage. Some flag States regulate transshipment by restricting it to specific vessel types, while others apply limited numbers of authorizations combined in both cases with MCS measures that ensure an effective control of these activities. Concerning coastal States experiences, however, it was noted that a lack of control and inspection means could lead to bad transshipment practices that can be complicated by socio-economic problems, food security issues and criminality.

Discussions on results of the Global Study on Transshipment

Regulation Review

In considering the results of the literature review the Workshop noted;

- the importance of transshipping to support cost-effective, sustainable fishing and that transshipping was an integral part of many fishing operations;
- that transshipping must be subject to appropriate and effective monitoring and control;
- that several States and RFMOs have regulations to monitor and control transshipping but that in some areas, effective implementation of these measures was lacking;
- that economic drivers should be attributed not only to owners and operators, but also to the master and crew;
- that one way that IUU catch can be laundered into the seafood market is through transshipments at-sea;
- that the laundering IUU catches to avoid official scrutiny should be included as an economic driver; and
- by transshipping, IUU vessels can evade MCS and enforcement measures, offload their cargo, and resume fishing without returning to port.

Global Stakeholder Survey

The Workshop considered the preliminary results from the Global Stakeholder Survey and highlighted the great response rate and well balanced geographical representation. It was further noted that this was the first time FAO had conducted a global survey on transshipping and that the results provided a useful qualitative snapshot of transshipping globally.

The Workshop considered the responses from 91 States and noted that:

- generally, there are sufficient State regulations in place to control “legal” transshipments,
- several States completely prohibit transshipments while others only permit transshipment operations in authorized locations (ALs) under certain conditions;
- transshipment from a fishing vessel to a reefer is the most common transshipment practice and the most important logistically and economically;

- several States highlighted a comparatively high level of transshipment operations between other fishing vessel types which were not specified in the questionnaire as fish carriers, containers and motherships;
- transshipments between fishing vessels and canoes and from fishing vessels to fishing vessels were identified as carrying the highest risk factor for IUU activity; and
- MCS measures are applied by all States, particularly those measures representing best value for money such as landing and port inspections, licenses and logbooks.

The effective application of these MCS measures in each region and fishery could not be assessed from the information provided in the transshipment survey. However, several States provided additional text in their survey responses and noted a lack of capacity to effectively implement measures.

The Workshop also considered the responses of 14 RFMO's and noted that:

- generally, there are sufficient RFMO regulations in place to control "legal" transshipments,
- transshipment is permitted in certain fisheries throughout the different RFMO's both within and outside their areas of competence;
- controls include specifying vessel types which can transship and limiting transshipment to specific target species;
- transshipment from a fishing vessel to a reefer is the most common transshipment practice and the most important logistically and economically followed by from a fishing vessel to another fishing vessel;
- transshipments between fishing vessels carried the highest risk of IUU activity regardless of the area;
- while a wide variety of MCS measures are deployed at the RFMO and Contracting Party level, overall MCS measures are generally implemented at the Contracting Party level;
- RFMO measures include port State controls, notifications and access to IUU lists; and
- Contracting Party measures relate to VMS, AIS and landing inspections.

The Workshop noted that the representation of private stakeholders and NGO's was not significant enough to draw up valuable conclusions and should be improved in case of future surveys. In the view of the experts, as long as the transshipment operation is properly controlled, and the products transhipped can be traced, operators should be free to define the logistics of their operations.

The Workshop considered that the global stakeholder survey was well designed and offered respondents the ability to provide additional information and suggestions for improvement. Generally, the global stakeholder survey was considered a useful exercise that offered pertinent information on transshipment practices at-sea and the measures adopted to monitor and control these practices. However, inherent to its global character, the survey results only provide a general overview which should be complemented with more detailed information including quantitative information.

Additional discussions

The Workshop considered the definition of Transshipment in different instruments and recognized the need to update the definition taking into account current practices and various vessel types, and reflecting the findings of the Global Study on Transshipment.

The Workshop noted the importance of monitoring and controlling transshipping activities within the MCS framework applicable to an area and on a risk-based approach. While FAO may consider developing best-practice guidelines for transshipping, the Workshop highlighted that there needs to be a mechanism to translate best-practice to fit-for-purpose.

The Workshop considered that measures as the use of additional observers to monitor the transshipment of catch at-sea to reefers or reefer control from port to port greatly improved the monitoring and control of transshipment.

In addition, the experts identified a lack of suitable information to identify changing patterns in transshipment with any consistency. For example, anecdotal evidence regarding the number of observers recently deployed on one region suggested a corresponding increase in transshipment activity but further information was not available to provide corroboration.

The Workshop noted the importance of defining fishing vessel within a regulatory regime and that this definition needs to include all vessels engaged in transshipment.

The Workshop noted that to effectively monitor and control transshipping there was a need to have access to up-to-date and accurate information regarding vessels including beneficial owners, historical details, compliance history and port inspections. The Working Group noted that linkages with port State measures and the Global Record were important.

General Conclusions

The Workshop agreed that a response to the detailed questions asked by COFI requires that account be taken of regional and fisheries specific characteristics. However, at this stage it is not possible to formulate a simple general reply to these questions as this would require further detailed research and review of the specific circumstances surrounding each topic by regional and fisheries basis.

The Workshop noted that a prohibition of transshipment would have drastic consequences for the industry. The Workshop reiterated that transshipping was important to support cost-effective fishing operations and sustainable fisheries management and was an integral part of many fishing operations. When subject to appropriate monitoring and control, transshipment did not in itself, as a fishing activity, pose a threat to the marine environment or the sustainability of fish stocks. However, it was agreed that in the absence of effective monitoring and control, a prohibition on transshipping may be appropriate.

The Workshop noted that there appeared to be an increase in transshipping operations globally and that there was a need to ensure these operations were effectively monitored and controlled. It was agreed that States, including in the framework of RFMO's have made significant progress in the monitoring and control of transshipping however, the full extent of illicit or irregular transshipments remains very difficult to quantify. It is therefore difficult to identify changes and trends in transshipment practices.

The outcomes from the Regulation Review supported those from the Stakeholder Survey. Specifically, the Study identified the various drivers creating the practice of transshipping at sea in EEZ's and High Seas, the differing types of transshipment and CITES species. This was tempered by input from the experts and also comments included in the survey responses strongly suggesting the existence of other drivers which had not be recognised or identified in either the survey or the study. Therefore despite the broad scope of the review, it cannot be claimed with any confidence that all the drivers for transshipment have been identified.

The Workshop agreed that transshipment at-sea was a practice used by IUU fishing vessels and makes it possible to launder fish into the seafood market. The Workshop further agreed that transshipment on the high seas in areas beyond national jurisdiction (ABNJ) allows IUU fishing vessels to evade MCS and enforcement measures and contributes to the risk posed by IUU fishing vessels to the marine environment and sustainability to fish stocks. It was agreed that illicit transshipping is likely to facilitate human trafficking, forced labor, and other human rights abuses.

States and RFMO's over the last years have progressed the introduction of a wide range of regulations and controls and the evidence collected suggest these are having some impact. However, these measures apply to "legal" transshipment operations and, as the full extent of "illegal" transshipments remains very difficult to quantify, identifying changes and trends in transshipment practices overall that can be reasonably attributed to the efforts of States and RFMO's is problematic.

Recommendations

The Workshop recommends that:

- the results of the transshipment survey were useful but that any conclusions from the survey needed to be drawn with caution;
- As the survey was qualitative rather than quantitative in its scope, further work to identify the levels and associated risks of fishing practices and transshipments would be beneficial to gaining a better understanding of the global situation.
- further study and analysis was required to better understand transshipping globally and to respond to the request of COFI;
- the definition of transshipping be reconsider in the light of current practices;
- further consideration be given to the requirements to effectively monitor and control transshipping; and
- the development of minimal standards for the monitoring and control of transshipment would be appropriate.
- In order to gain a better understanding of developing trends in transshipping practices and controls, it would be advantageous to repeat the survey in a couple of years.

Close of Workshop

The Chair closed the Workshop and thanked the invited experts for their contributions to the Global Study on Transshipment and IUU fishing.

APPENDIX A

LIST OF PARTICIPANTS

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WORKSHOP AGENDA

Expert Workshop on Transshipment and IUU fishing
Rome, Italy, 21 – 23 February 2018
TENTATIVE AGENDA AND TIMETABLE

Ethiopia Room, FAO Headquarters, Rome, Italy

Wednesday 21 February 2018

Morning Session, 09.30 – 12.30 hours

09.30 – 09.45	1. Opening of the meeting
09.45 – 10.00	2. Introduction and background
10.00 – 11.00	3. Presentation of the results of the global study on transshipment
11.00 – 11.30	Coffee Break
11.30 – 12.30	4. Discussion and sharing of experiences on transshipment operations
12.30 – 14.00	Lunch break

Afternoon Session, 14.00 – 17.00 hours

14.00 - 15:30	4. (Continuation)
15.30 – 16.00	Coffee Break
16.00 - 17:00	4. (Continuation)

Thursday 22 February 2018

Morning Session, 09.30 – 12.30 hours

09.30 – 11.00	5. Review of the draft document on the “Global review of transshipment of catch over the side: practices and regulations; Literature study and Stakeholder survey”
11.00 – 11.30	Coffee Break
11.30 – 12.30	5. (Continuation)
12.30 – 14.00	Lunch break

Afternoon Session, 14.00 – 17.00 hours

14.00 - 15:30	5. (Continuation)
15.30 – 16.00	Coffee Break
16.00 - 17:00	5. (Continuation)

Friday 23 February 2018

Morning Session, 09.30 – 12.30 hours

09.30 – 11.00	6. Conclusions and recommendations
11.00 – 11.30	Coffee Break
11.30 – 12.30	7. Closure of the Workshop