

TRADE AND AGRICULTURE DIRECTORATE
FISHERIES COMMITTEE

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COMBATING TAX CRIME IN THE FISHERIES SECTOR

17-19 October 2016

This OECD report is based on a report prepared by Mr. Brian McAuley as part of preparation of the Joint OECD-FAO-UNODC conference and workshop on Combatting Tax Crime and other Crimes in the Fisheries Sector. This report has been modified and edited by the OECD Secretariat. It is presented to the 118th Session of COFI for declassification under item 10 of the draft agenda.

CANCEL & REPLACE : Date of 118th Session of the COFI was wrong on the Cover Page

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NOTE BY THE SECRETARIAT

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EXECUTIVE SUMMARY

1. Fisheries crime has sparked an explosion of media interest in recent years. Dramatic events such as the scuttling of the Thunder fishing vessel by its crew have made the headlines. Additionally, the link to human trafficking has led to public alarm in many countries. Actions taken by Indonesia to reassert its control over fishing in its exclusive economic zone and to combat fishing pirates have also highlighted this problem.
2. Governments and international organisations have recognised the need to work more closely together to combat fisheries crime. This recognition is seen through increased cooperation among some countries and organisations. As a result, the need for increased cooperation has become a regular topic for discussion in international gatherings surrounding the topic of fisheries.
3. While cooperative efforts have increased, much more is needed. Some countries and agencies have been slow to respond to the challenges of fisheries crime. Some tax administrations have not yet appreciated the significant and growing value of stolen fish, and the lost tax revenues. And, some fisheries agencies view their role as limited to conservation and supporting innovation in fisheries, leaving enforcement of fisheries crime to others.
4. What are the wider implications for governments and international organisations? What actions are needed from them to effectively tackle this issue at the global level? The aim of the report is to help explain some of the key issues related to the detection and investigation of tax crime in the fisheries sectors from the legal to operational perspectives. It seeks to articulate the nexus between tax crime and the fisheries sector and why it is of interest for tax and fisheries administrations (and others as appropriate e.g. customs) to cooperate. The report draws on previous relevant reports from OECD and a range of international organisations.
5. The report draws on recent developments to expand on the descriptions of tax crime in fisheries set out in the *Evading the Net* report. These are described in terms of those that are part of global tax evasion and those that are specific to the fisheries sector. Such descriptive analysis of tax crime can help policy makers in their reviews of legal frameworks and strategies. Operations managers can use them to develop training and adjust administrative rules to aid early detection and deployment of appropriate responses.
6. The report also reviews the structure for governance and control at sea in order to understand the legal context within which fishing operates as well as the governance context within which supranational, intergovernmental and national law enforcement and regulatory agencies are able to exercise their roles. It also considers the work of Regional Fisheries Management Organisations and the legal and operational gaps that enable operators engaged in IUU fishing to jeopardize the rule of law and escape tax crime investigators. One of the key features of this subject is the lack of capability of developing countries to apply the sort of responses available, for example, to developed countries in the North Atlantic. The issue is critical and demands a range of responses.
7. The report also considers the obstacles that obstruct tax administrations and other law enforcement agencies in their efforts to effectively combat tax crime and related crimes in the fisheries sector and the responses that are needed. It recommends cooperative work to develop policy coherence across the range of governmental and international institutions in promoting safe, secure and compliant fishing operations at sea.

ILLEGAL FISHING INTERSECT WITH FISHERIES CRIMES

Fisheries crimes facilitated by illegal, unreported and unregulated fishing

8. The expression “fisheries crime” does not have a legal definition. It refers to a range of illegal activities in the fisheries sector frequently transnational and organised in nature¹. The term fisheries crime is widely used to describe crimes committed by those in the fishing industry, or by making use of fishing vessels as part of larger criminal operations. Fisheries crimes include not only fish harvesting offences but others relating to the trade in fish and fish products, financial transactions associated with that trade and the provision of services to those involved (UNODC/WWF, 2016).

9. There is ample evidence that criminal activities regularly facilitate or accompany illegal, unreported and unregulated (IUU) fishing (see for example, ILO, 2013; EJF, 2015; Interpol/UNEP, 2016 Surtees, 2013; Standing 2015). This link has been pointed out in the United Nations General Assembly (UNGA) Resolutions 67/79 in 2012 and 68/71 in 2013 which highlight the vulnerability of the fisheries sectors to multiple crimes such as human trafficking, smuggling of migrants, drug trafficking, document fraud, corruption, money laundering, tax fraud and occasionally terrorism financing.

Box 1. Illegal, Unreported and Unregulated fishing: what's that?

Illegal, Unreported and Unregulated fishing (IUU Fishing) is a concept developed around the end of the last century to describe fishing practices that are anathema to responsible fishing. Instead of referring simply to illegal fishing, the concept described the ways that such fishing practices took advantage of lack of capacity to enforce the law against illegal fishing or exploited gaps in the legislative coverage, whether international or national. The three aspects are overlapping. The recognised international definition is that established by the Food and Agriculture Organization of the United Nations’ (FAO). According to the FAO’s International Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated (IUU) fishing

I Illegal fishing refers to activities:

- conducted by national or foreign vessels in waters under the jurisdiction of a State, without the permission of that State, or in contravention of its laws and regulations;
- conducted by vessels flying the flag of States that are parties to a relevant regional fisheries management organization but operate in contravention of the conservation and management measures adopted by that organization and by which the States are bound, or relevant provisions of the applicable international law; or
- in violation of national laws or international obligations, including those undertaken by cooperating States to a relevant regional fisheries management organization.

II Unreported fishing refers to fishing activities:

- which have not been reported, or have been misreported, to the relevant national authority, in contravention of national laws and regulations; or
- undertaken in the area of competence of a relevant regional fisheries management organization which have not been reported or have been misreported, in contravention of the reporting procedures of that organization.

¹ <http://www.unodc.org/unodc/about-unodc/campaigns/fisheriescrime.html>

III Unregulated fishing refers to fishing activities:

- in the area of application of a relevant regional fisheries management organization that are conducted by vessels without nationality, or by those flying the flag of a State not party to that organization, or by a fishing entity, in a manner that is not consistent with or contravenes the conservation and management measures of that organization; or
- in areas or for fish stocks in relation to which there are no applicable conservation or management measures and where such fishing activities are conducted in a manner inconsistent with State responsibilities for the conservation of living marine resources under international law.

Most IUU fishing is illegal, contrary to international law and to the laws of countries with fishing resources and countries which are the flag states of fishing vessels. A small exception relates to some unregulated fishing. The concept identifies the responsibilities of the various stakeholders to ensure compliance with responsible fishing and to take counter measures against IUU fishing.

10. The volumes of IUU fishing are very high - estimates put the value lost from illegal and unreported fishing at USD 10 – 24 billion annually at the international level (Agnew & al, 2009). This figure does not include the cost of unregulated fishing and does not include the resultant economic impact to a country. These estimates may be on the low side since, although the total volume of capture fishing has not increased, the total value for the global catch has increased by about 90% in a 10 year period². Apart from the value of the fish that is illegally removed from the country (in particular where the IUU fishing is carried out by a foreign fleet and is exported or landed abroad) which otherwise would have been taken by legal fishing; other costs include those from the loss of local processing, foregone fish processing, packing, transporting, exports and domestic consumption as well as associated employment; and government receipts such as lost licensing fees or added-value and tax income.

11. IUU fishing also affects legal operators operating in the same fisheries, or fishing the same stocks, exposing them to criminal as well as unfair competition. They will eventually face increased effort and costs in harvesting the amount of fish they are legally licensed to take, as catch possibilities decrease as a result of the IUU take. In the process of updating the *Sunken Billions* annual estimate of economic loss that an optimally-managed global fishery would be able to avoid, the World Bank revised the 2004 result to US\$72 billion, rather than the US\$52 billion originally reported. This is related to the cost of excessive fishing effort and depressed fish stocks where IUU fishing is a main contributor. For 2012, the preliminary estimate is about US\$83 billion (in 2012 prices) with reasonable degree of confidence that the true value falls between US\$51 and US\$105 billion (World Bank, 2016).

² FAO (2014) State of World Fisheries and Aquaculture

TAKING ON BOARD ECONOMIC CRIMES: A FOCUS ON TAX CRIME

What is tax crime?

12. The *Evading the Net* report sets out an analysis and description of tax crime in the fisheries sector. This chapter seeks to expand on those descriptions and identify those which can be viewed as part of global tax evasion and those that are specific to the fisheries sector.

13. Such descriptive analysis of tax crimes (sometimes referred to as typologies) can help tax auditors and investigators in their case work, but are also useful to policy makers in their reviews of legal frameworks and strategies. Operations managers can use them to develop training and adjust administrative rules to aid early detection and deployment of appropriate responses. They are also useful for inter-agency cooperation, enabling each agency to have more clarity about the methods used and the nature of the abuse and the implications.

Tax crime specific to fisheries

14. The principle criminal behaviours relating to illegal fishing also give rise to tax crime. Tax crime in the fisheries sector covers a broad range of offences, including the evasion of import and export duties on fish and fish products transported across international borders. The main objective of illegal fishing is to maximise profits and typically criminals will seek also to hide this from the tax authorities to evade any taxation on their illicit profits.

15. Countries have identified, through the experience of their compliance officers, that fishing companies commonly adopt one or more of three main methods to commit tax fraud. These are by

- *disguising the origin of fish*, for example to evade import duty applicable to the real country of origin
- *under-declaring the size of a catch*, which hides over-fishing against the quota as well as evading tax, and
- *incorrectly describing the species or products caught or sold*, which is used for example to evade import duty where the actual product attracts a higher rate of duty than the falsely claimed one.

Evading the Net describes these typologies in some detail and illustrates them with case examples.

An additional tax crime method is to seek to avoid all controls and operate clandestinely from catch to final sale, as has been shown in the case of razor clam below.

Box 2. Razor Clams

Illegal razor clam harvesting is an issue in several parts of the UK. Harvesting razor clams is not illegal in the UK if the quantity taken is less than 5kg per person per day, but it is strictly banned to sell them on commercially, in order to protect stocks and local wildlife.

In Scotland, where most commercial catches of razor clams are illegal, the illegal fishers are using electro-fishing methods which are contrary to UK and EU law. To avoid controls on sales to local businesses and to reap high profits, the catches are exported. The value of razor clams in the Far East is about 5 times their UK value.³ The razor clams are exported without safety treatment being applied – also contrary to food standards regulations. The razor clams are known to have been exported via the UAE to final markets in Asia. It is estimated that the undeclared profit on sales to the Far East is as much as £90m.

The Scottish Government has changed the law in 2014 making it illegal for any vessel to have electro-fishing equipment on board or to be transporting razor clams without a license. The vessel can be seized and the operators fined.

In one instance in North Wales, a gang of more than 100 people who had been harvesting huge amounts of razor clams sparked an investigation into illegal fishing. There was, in addition, a suspicion that the workers, all apparently of Asian origin, could have been trafficked into North Wales by a gang master.

Interestingly, the local community took the initiative by photographing the workers during a series of low-tide, early morning beach raids and this has engaged the interest of the local media. Locals expressed fears the local habitat could be damaged irreparably. The local authority followed up by taking action; for example, where the clams were sold on commercially, a business in the area has had a haul of clams confiscated.

The local press reported⁴ on an intervention by several agencies. The razor clam beds are not classified by the Food Standards Agency for commercial harvesting and therefore razor clams from the site cannot legally enter the human food chain. The local authority environmental health officers intervened and confiscated equipment and returned harvested clams to the shore at low tide. They are liaising with the other governmental organisations with a role including the fisheries management agency, the Food Standards Authority, the environmental protection agency and the gang master licensing authority. Immigration officials were also present.

Tax fraud in the fisheries sector

16. Beyond the schemes specifically linked to the fisheries sector, participants in the sector are also using many of the illegal schemes for evading or wrongly reclaiming tax which are found across other industry sectors and which are well known to tax auditors and investigators. *Evading the Net* sets out a range of cases that show how the different types of tax evading techniques⁵ are found in the fisheries sector. Sales can be hidden by a range of methods including not reporting sales to some customers; re-invoicing frauds can be used to falsely reduce value of sales and missing trader fraud takes advantage of the import and sale of high value goods. Falsified books and records can be used to hide income, assets or transactions, such as large cash withdrawals, or to commit VAT fraud.

³ <http://www.thenational.scot/news/diners-put-at-risk-as-razor-clams-are-caught-illegally-off-jura-coast.7794>

⁴ <http://www.dailypost.co.uk/news/north-wales-news/more-100-people-harvesting-razor-5785843>

⁵ There are four main methods of tax evasion – hiding or not reporting income from legal activities, hiding or not reporting income from illegal activities, claiming fraudulent deductions and concealing residence (that is the basis for liability to tax).

Tax evasion related to fishing crews

17. The business model of fishing also gives rise to tax evasion and social security fraud with regard to the crew on a vessel. This is discussed in *Evading the Net* in which an example is provided on the attempted use of false residence certificates to claim exemption from taxes. Other offences concerning a crew on a vessel have more recently come to light.

18. Some fishing vessels are using illegal labour to crew their boats. In addition to breaching immigration laws and mistreating the fishermen, they are also in breach of laws on the payment of a minimum wage. The foreign workers are used because they will accept a wage that is a fraction of that paid to resident fishermen as well as working in sub-standard conditions. The control or enforcement of the application of minimum wage is in some countries the responsibility of the tax administration. There have been many examples around the globe and the following case involving fishing in Irish waters was recently investigated by journalists⁶.

Box 3. Cheap labour

African and Asian migrant workers are, it is reported, being routinely and illegally used as cheap labour on Irish fishing trawlers working out of some of the country's most popular tourist ports. A year-long investigation into the Irish prawn and whitefish sector has uncovered undocumented Ghanaian, Filipino, Egyptian and Indian fishermen operating as crew in boats in ports from Cork to Galway. They have described a catalogue of abuses, including being confined to vessels unless given permission by their skippers to go on land, and being paid less than half the Irish minimum wage that would apply if they were legally employed. They have also spoken of extreme sleep deprivation, having to work for days or nights on end with only a few hours' sleep, and with no proper rest days.

The evidence suggests that some boat owners and crewing agencies are smuggling African and Filipino workers in to Ireland bypassing Irish immigration controls.

19. More extreme cases involving violence, slavery and human trafficking have been investigated by the Environmental Justice Foundation (EJF, 2013, 2015a, 2015b) and other organisations.

Tax crime a predicate offense for money-laundering

20. Tax crime is not only a predicate offence⁷ for money laundering but many tax crimes involve the use of money laundering by the tax evaders to conceal their unreported income. There are strong links between the methods used for money laundering and for evading taxes. Tax examiners and auditors have an important role to play in detecting and reporting suspicious activity that may involve money laundering, including activities not considered a tax crime. Tax auditors also could report activities that they suspect might involve bribery or corruption. Gateways for reporting their suspicions to law enforcement authorities without compromising tax confidentiality may be included in national legislation. In addition, international treaty can support countries in sharing information with treaty partners in certain circumstances.

⁶ <http://www.theguardian.com/global-development/2015/nov/02/revealed-trafficked-migrant-workers-abused-in-irish-fishing-industry>

⁷ Predicate offences can be defined as "all offences" named in the penal code or can be limited to "serious crime offences" or a threshold related to the penalty of imprisonment or a combination of these approaches (OECD, 2009)

21. The audit and investigation work carried out by tax authorities can also detect underlying offenses, such as corruption, but also illegal fishing whose monetary product is laundered. Following the money trail instead of the fish is essential. Financial investigators can have a strong impact when unravelling complex transactional webs across multiple jurisdictions. Tracing the money trail from IUU fishing can provide critical evidence about the real organisers and their networks and about the beneficial owners of the enterprises and assets linked to the criminal activity.

22. The list of predicate offences⁸ for money laundering includes environmental crimes and a number of other crimes that are present in the fisheries sector. This appears to provide opportunities (for investigation and prosecution) and well as responsibilities (for reporting of suspicions) for those charged with regulation of fisheries activities. Fisheries regulators are likely to have a range of liaison activities with other agencies including law enforcement. Crimes throughout the entire fisheries supply and value chains can also include bribery, corruption, customs offences, arms trafficking, document forgeries (e.g. falsification of permits, licences, catch documentation), drugs trafficking fraud, human rights violations (especially where crew conditions are tantamount to slavery, kidnapping or human trafficking), insurance fraud and related offences, migrant smuggling, mislabelling, obstruction of justice, offences under international marine or environmental law, organised crime and racketeering, tax frauds, violation of hygiene and food safety standards and violation of vessel safety laws and regulations (crew and vessel) (UNODC/WWF, 2016).

Efforts remain to be developed in the economic crimes area

23. Combating economic crimes such as money laundering, tax crime, illicit financial flows is essential to ensure good governance and promoting greater transparency including tax transparency and automatic exchange of information is a key enabler of this work (OECD, 2011b). Many national systems, including those of OECD countries still have weaknesses that allow the entry of illicit funds contributing to economic crimes (OECD, 2014).

24. The OECD already provides support and tools for the global community on countering abuses of the tax system and combating tax crime, bribery and corruption while the Financial Action Task Force does similar work on money-laundering and terrorist financing. Since 2009, this work is largely driven on a global scale by the G20. In their statement in April 2016, the G20 increased their demands in relation to transparency and beneficial ownership⁹.

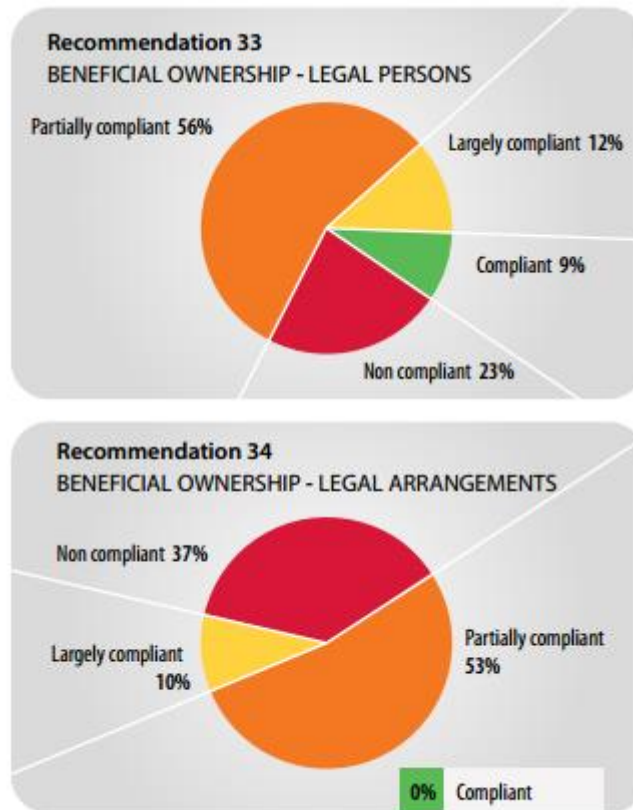
⁸The FATF Recommendations (2015) specify that predicate offences include counterfeiting currency; counterfeiting and piracy of products; environmental crime; murder, grievous bodily injury; kidnapping, illegal restraint and hostage-taking; robbery or theft; smuggling; (including in relation to customs and excise duties and taxes); tax crimes (related to direct taxes and indirect taxes); extortion; forgery; piracy; and insider trading and market manipulation.

⁹Communiqué: G20 Finance Ministers and Central Bank Governors Meeting April 15, 2016

“The G20 reiterates the high priority it attaches to financial transparency and effective implementation of the standards on transparency by all, in particular with regard to the beneficial ownership of legal persons and legal arrangements. Improving the transparency of the beneficial ownership of legal persons and legal arrangements is vital to protect the integrity of the international financial system, and to prevent misuse of these entities and arrangements for corruption, tax evasion, terrorist financing and money laundering. The G20 reiterates that it is essential that all countries and jurisdictions fully implement the FATF standards on transparency and beneficial ownership of legal persons and legal arrangements and we express our determination to lead by example in this regard. We particularly stress the importance of countries and jurisdictions improving the availability of beneficial ownership information to, and its international exchange between, competent authorities for the purposes of tackling tax evasion, terrorist financing and money laundering. We ask the FATF and the Global Forum on Transparency and Exchange of Information for Tax Purposes to make initial proposals by our October meeting on ways to improve the

25. Additional efforts in increased transparency, for instance, in the availability of beneficial ownership information can have a significant contribution to the problems of IUU fishing and fisheries crime. In 2014, within the OECD, twenty-seven out of 34 OECD countries store or require insufficient beneficial ownership information for legal persons, and no country is fully compliant with the beneficial ownership recommendations for legal arrangements (OECD, 2014). There is a large margin for improvement in increasing the availability of beneficial ownership information (figure 2).

Figure 1. Average OECD countries score on FATF recommendations 33 and 34



implementation of the international standards on transparency, including on the availability of beneficial ownership information, and its international exchange.”

RESPONSIBILITY OF STATES AND THE WEAKNESSES OF EXISTING LEGAL FRAMEWORKS

26. This section seeks to explain the legal context within which fishing operates as well as the governance context within which supranational, intergovernmental and national law enforcement and regulatory agencies are able to exercise their roles. It considers the roles and responsibilities of states in relation to fishing activities and also looks at the work of Regional Fisheries Management Organisations (RFMO). It identifies which legal and operational gaps enable operators engaged in IUU fishing to jeopardize the rule of law and escape tax crime investigators.

State responsibilities to combat fisheries crimes

27. Focusing on “fisheries crime” as a law enforcement matter - along with requisite penalties - provides a more effective means of addressing the most serious IUU concerns. While most IUU fishing is illegal, it is not always possible to take criminal proceedings against the act of illegal fishing. Some states do not consider IUU fishing as a criminal offence, and the state where the illegal fishing takes place or where the illegal catch is landed may not have the legislation in place to cover the specific offences. National Fisheries Management agencies have a role to ensure compliance with responsible fisheries practice and will have the ability to apply some counter measures, but they do not have judicial powers of investigating and prosecuting IUU behaviours which constitute fisheries crime. Law enforcement, in relation to fishery related crimes, is a matter for individual countries.

28. Under international law, the country whose flag a vessel flies is responsible for controlling the activities of that vessel to ensure that it abides by the relevant rules, such as fishing regulations, safety and labour standards, and many others. Coastal states have responsibilities for authorising, monitoring and controlling fishing vessels within their EEZs and for international cooperation. Port states and Market states also have responsibilities to ensure that illegal fish does not reach their markets.

Practical issues in enforcing legislation

29. Despite some increased effort and attention, many developed and developing states are still not fully meeting their responsibilities. Flag states may choose on which vessels to confer their nationality, but in reality the opposite is what happens: ship owners choose which nationality to confer on their vessels. The flag of convenience countries allow fishing boats to fly their flag - for a fee - and then ignore any violations of international fisheries laws committed by them. Some states operate as “Flags of Convenience”¹⁰ – providing national coverage for vessels registered on their national fishing register, even when they are land-locked nations. Many of the states providing flags of convenience have little or no capability for carrying out their obligations in relation to ensuring compliance by their flagged vessels or of taking enforcement action. This is compounded by the secrecy of the register where the real beneficial ownership of the vessel and the fishing company is hidden, making it difficult for regulators and law enforcers to hold offenders to account.

30. In order to respond to the failure of flag states to effectively control fishing operations carried out by vessels flying their flag, within the Agreement on Port State Measures to Prevent, Deter and Eliminate

¹⁰ There is no legal definition of flag of convenience. The International Transport Workers’ Federation (ITF), is said to have first coined the term ‘flags of convenience’ in 1948, when the organization launched its boycott campaigns over the plight of seafarers and fishers on board vessels that were ‘flagged out’ to regulatory havens with lesser employment conditions and compliance rates.

Illegal, Unreported and Unregulated Fishing (PSMA), the FAO has developed a system of port state control. This legal binding instrument was approved by the FAO on 22 November 2009 and entered into force in June 2016. The Agreement aims to prevent illegally caught fish from entering international markets through ports. Under the terms of the treaty, foreign vessels will provide advance notice and request permission for port entry; countries will conduct regular inspections in accordance with universal minimum standards; offending vessels will be denied use of port or certain port services and information sharing networks will be created¹¹. To date 36 Parties have ratified the Agreement. However, the effectiveness of PSM cannot be fully realised until it is universally adopted and even then there are some doubts that it will meet its aim of denying market access. A recent survey (Huntington & al, 2015)¹² of fish landings at commercial fishing ports has identified that the “largest landings occur in countries that have not ratified the PSMA and do not have well-documented port State controls in place”. The authors’ argument is that some ports accept IUU catch knowingly, while others “may unwittingly allow IUU caught fish” to cross the threshold and enter the value chain. As a mechanism to obstruct IUU fishing by inconveniencing those committing fisheries crimes, port state measures can also be an inconvenience for law enforcement where they may prefer a response which involves the apprehension of the vessel so that evidence can be collected and used in prosecution.

31. The failure of states to enforce legislation mainly comes from the lack of operational capacities and cooperation especially when fisheries crimes activities are transnational. In practice it is the law enforcement agencies that have access to systems of international cooperation. This raises the question of whether the RFMOs should report indicators of fisheries crime to law enforcement authorities and whether they may play a more active role in gathering and reporting evidence of fisheries crime.

Transfer of competences from States to intergovernmental specialized institutions, the role of RMFOs

32. IUU fishing is the core issue for many RFMOs and they actively deploy Monitoring, Control and Surveillance (MCS) systems to combat illegal fishing. FAO describes this as follows:

- **Monitoring** - the collection, measurement and analysis of fishing activity including, but not limited to: catch, species composition, fishing effort, by catch, discards, area of operations, etc. This information is primary data that fisheries managers use to arrive at management decisions. If this information is unavailable, inaccurate or incomplete, managers will be handicapped in developing and implementing management measures.
- **Control** involves the specification of the terms and conditions under which resources can be harvested. These specifications are normally contained in national fisheries legislation and other arrangements that might be nationally, sub-regionally, or regionally agreed. The legislation provides the basis for which fisheries management arrangements, via MCS, are implemented.
- **Surveillance** involves the regulation and supervision of fishing activity to ensure that national legislation and terms, conditions of access, and management measures are observed. This activity is critical to ensure that resources are not over exploited, poaching is minimized and management arrangements are implemented.

¹¹ <http://www.fao.org/fishery/psm/en>

33. “Effective MCS involves a two-pronged, parallel approach, relying on both prevention and deterrence. The preventive approach encourages "voluntary compliance" through understanding and support for the management strategies. The parallel approach of deterrent and enforcement MCS is necessary to ensure compliance by fishers who resist adhering to the regulatory regime. Deterrence and enforcement include inspection, investigation, prevention and court proceedings to enforce the law. Voluntary compliance will be compromised if stakeholders see non-compliant fishers successfully evading the law and receiving economic returns from their illegal activity, at the expense of the fishers who comply with all requirements.¹³”

34. The Parties of a RFMO can decide to tackle lack of compliance through reinforcing surveillance and at sea inspections. The Vessel Monitoring System (VMS) is used to track suspicious vessel movements and activities and Inspectors from one country can inspect the vessel of another country and their reports are valid. Port control is also important in compliance since on entry to a foreign port the vessel must report to the local fishing authorities and have an inspection. An RFMO acts as a forum for cooperation by contracting partners who are involved in fishing activities within the RFMO’s zone.

35. At least some RFMOs would be willing to contribute to the issue of tax crime in the fisheries sector aware of the strong link to combating IUU fishing. One RFMO has reported some success in tackling the use of flag of convenience vessels in fishing by applying port state measures such as putting up lists of IUU vessels, refusing entry to ports and creating obstacles so that the additional costs incurred (in navigating halfway around the globe) had a deterrent effect within the RFMO area. The impact of such vessels remains a major issue in many parts of the world, where inspection and control systems are limited, in particular in the Pacific, where small countries have massive fishing zones, and off the coast of Africa.

36. RFMOs are regionally based while illegal fishing vessels freely sail through their boundaries and out of their area of responsibility. RFMOs have acknowledged that the deterrent actions they take may have the effect of shifting the problem to other fishing areas. There is certainly scope for RFMOs adopting a more uniform approach to IUU fishing to ensure that illegal fishing vessel do not move between RFMO areas to find the area with the least effective control. It was suggested that this requires “more harmonisation of legislation and the creation of new regional initiatives”(Schmidt, 2004). The advantages gained by regional cooperation need to be extended to a process of global cooperation to deal with such cases. Therefore, where the impact of such vessels involved in fisheries crimes remain a major issue in many parts of the world, where inspection and control systems are limited.

Improving capacities for developing countries

37. IUU fishing practices that take place in the EEZs of developing countries account for the highest percentage of all IUU fishing (Phelps, 2015). It is in these zones where much of the valuable fish are. The illegal practices include relatively large-scale illegal fishing, typically by vessels from distant water fishing nations from developed and emerging regions. They operate illegally where the on-water enforcement capacity is weak or as unregulated fishing where national regulation is lacking, which is the case in a number of developing countries.

38. While these developing countries have a need to improve their regulation and enforcement capacity, they also face external factors such as a failure of control on behalf of the flag states or the states from where the fishing capital originates, which are almost exclusively developed or emerging countries.

¹³ <http://www.fao.org/fishery/topic/3021/en>

39. The case studies described earlier (Box 1 and 2) set out some of the challenges that developing countries face in tackling tax crime and other crimes in the fishing sector. There are a range of issues that can be addressed to strengthen their capacity to meet the challenges. It is critical to have in place the correct legal basis for governing the exploitation of fish stocks, with criminalisation of certain offences and the availability of commensurate penalties and to implement processes and control systems for monitoring the various stages of the fisheries value chain with suitably skilled and informed staff.

40. There has been only a small effort extended so far to help developing countries improve their capacity to correctly tax the fishing activities in their EEZs. The level of awareness of tax crime in the fisheries sector has been low among developing countries (as it had been in developed countries prior to the OECD work in this area). At a November 2015 tax workshop held at the Asian Development Bank Institute in Tokyo, a group of tax specialists from 16 Asian and Pacific developing countries¹⁴ called on the international organisations to provide further support. The relevant extract is as follows:

“Tax crime in the fisheries sector is a particular issue where the participants would welcome ADBI involvement in expanding regional awareness and working with other international organisations including the OECD and the Interpol Working Group on Fisheries Crime to develop tools to secure tax revenues from the exploitation of these high value resources.”

41. In a January 2015 High Level Conference on Transparency and Sustainable Development in Africa, the participants made a number of recommendations on the issues of corruption, tax transparency, recovery of stolen assets as well as some specific recommendations about governance and transparency in the fisheries sector. One of the key issues raised was that of the use of flags of convenience, a serious barrier to control and investigation by providing secrecy of the real ownership of the vessels and companies involved in fisheries crime. Here is an extract:

“...to launch a Fishing Industry Transparency Initiative (FITI)¹⁵ and to implement the initiative;

To call upon the international community and multilateral system to introduce a global registry of fishing vessels based on the ready-made institutional framework of the International Maritime Organisation (IMO), to tackle the misuse of “flags of convenience”, and to end fishing subsidies which contribute to illegal, unreported, and unregulated (IUU) fishing;

To make fishing permits and related procurement processes fully transparent, to ratify and implement the 2009 Port State Measures Agreement (PSMA), and to rigorously enforce sanctions on vessels engaged in IUU fishing”

42. These recommendations aim to reduce the negative impact of flags of convenience to control fishing and investigating crimes.

43. In the same way that developing countries lack the capacity to effectively combat IUU fishing, their tax administrations need support to address loss of tax revenue from the fisheries sector. While the material in *Evading the Net* provides a basis for awareness raising among tax auditors and investigators

¹⁴ Cambodia, Cook Islands, Fiji, Indonesia, Kiribati, Malaysia, Mongolia, Papua New Guinea, Peoples Republic of China, Philippines, Samoa, Solomon Islands, Thailand, Timor Leste, Tonga, Vietnam

¹⁵ The FITI initiative was launched in February 2016. See <http://fisheriestransparency.org/events-and-news/1st-international-conference>

and policy makers in such countries, it needs to be expanded with more examples drawn from real cases in developing countries and the experiences of those seeking to ensure tax compliance there.

44. It is recognised that to combat IUU fishing comprehensive and coordinated actions should be taken by all the countries in a region. This approach may also be appropriate for dealing with tax evasion in fishing zones. Regional cooperation between tax administrations has the possibility to improve the ability to detect and combat cross border tax evasion. This is one among many issues that is being addressed in the Asia Pacific zone by the Asian Development Bank.

45. The OECD Global Forum has committed to a programme to help developing countries take advantage of the new standards for international cooperation on transparency and exchange of information. This could provide some of the information needed to support action against tax evasion in the fisheries sector. The Convention on Mutual Administrative Assistance in Tax Matters provides a wide range of methods of information sharing and assistance which many developing countries have now joined. This provides the opportunity for multilateral exchanges and joint audits, which have already been useful in dealing with tax evasion in fisheries for tax administrations in developed countries.

OBSTACLES TO DETECTING GLOBAL TAX CRIMES

46. The globalisation of the economy – the freeing up of legal restrictions on financial transfers as well as the speed and facility of carrying them out - has had many economic benefits. Among the downsides are the massive increases in financial crime, including tax evasion, money laundering and corruption. Criminals involved in fisheries crime have demonstrated mobility and adaptability: responding when one country improves its response by moving to exploit the weaknesses or loopholes elsewhere.

Obstacles to detect global tax crimes

47. The nature of the main obstacles to detecting global tax crime have been exposed for some time> The difficulties include concealing the ownership of business activities through layers of corporate and other entities and using a wide variety of methods, including cross-border transactions, to move the tax evasion proceeds through the financial system, concealing it and eventually converting it into assets or consumption.

48. The use of corporate entities has an important role in global trade and in foreign direct investment. They are also used to conceal business activities and illegal activities. The method used is to create a chain of corporate entities, each established in a different jurisdiction (particularly those where beneficial ownership information is not maintained, readily obtainable, or able to be shared), to maximise anonymity and to make it very difficult for authorities to trace beneficial ownership. There will also be a web of bank accounts associated with the corporate entities and these may be based in yet other jurisdictions.

49. Governments need to be able to access the ownership information and financial transactions as well as to share this information, where appropriate, with law enforcement authorities, domestically and internationally. The obstacles that tax administrations often face are to do with the access to information, hence the G20-driven programme of the Global Forum on Transparency and Exchange of Information

The additional level of secrecy within the fisheries sector

50. The methods of obscuring ownership mentioned in the previous section are also used to commit tax crime in the fisheries sector. Fisheries tax crimes have an additional obstacle in the level of secrecy provided by certain shipping registers. A small number of shipping registers appear to be the flags of preference of the vast majority of blacklisted vessels. These are registers with the lowest capability in ensuring compliance and it is difficult to obtain information from these registers.

51. The lack of transparency on beneficial ownership of fishing vessels and the companies operating them is a critical obstacle to ensuring tax compliance. The veil of secrecy created by agents making arrangements with flags of convenience linked to company registrations in secrecy jurisdictions is a challenge to tax administrations and acutely so for those of developing countries.

Remaining vulnerabilities to organised crime

52. Looking at the issue from the broader fisheries crime perspective, the UNODC identified a set of vulnerabilities of the fishing sector to organised crime, and these are also obstacles to countering tax crime in the fisheries sector. These are presented in Box 4.

Box 4. Main vulnerabilities of the fishing industry to transnational organized crime and other forms of criminal activity, as identified by the UNODC

1. The global reach of fishing vessels, easy access to surplus fishing vessels due to fishing quota restrictions, the legitimate presence of fishing vessels at sea, and the distribution network for fish and fish products create opportunity and legitimate cover for criminal activities.
2. There is a general lack of governance and rule of law in the fishing industry, in particular there is
 - a) a lack of at-sea surveillance of vessel movements and transshipments. Compared to merchant vessels there is no comprehensive and transparent system of fishing vessel tracking or monitoring of their interaction with other vessels at sea;
 - b) a lack of transparency of the identity of the beneficial ownership of fishing vessels and a lack of international records of fishing vessels' identity and history;
 - c) a lack of ability or willingness of some flag states to enforce their criminal law jurisdiction; and
 - d) a lack of international endorsement of existing international regulation of the safety of fishing vessels and working conditions of fishers at sea to bring these instruments into force and ensure compliance in port in the same manner as Port State Control (PSC) of merchant vessels.

Quota restrictions and declining fish stocks in many regions of the world have led to destitute fishers and fishing communities are deprived of their livelihoods and of an important food source. The socio-economic conditions generated by overfishing may make fishers and fishing communities vulnerable to recruitment into criminal activities.

53. There are insufficient legal measures and sanctions against IUU fishing in some countries. Operationally, the focus of some national fisheries regulators on fisheries laws compliance may obscure the role of law enforcement in countering the transnational organised crime that is a growing threat. Without the help of other national agencies (e.g. tax, fisheries, police and customs), no single type of authority has the comprehensive mandate needed to fully combat fisheries related crimes. However each agency has a specific interest in making sure these crimes are eradicated.

54. In most countries, for instance, the issue of tax evasion in the fisheries sector will be covered by existing laws. At an operational level the gap is the engagement between the tax administration and other relevant agencies involved in regulating the sector. Tax administrations will need to assess the threat posed in the sector and develop an appropriate strategy including cooperation among all government agencies.

IMPROVE INTER-AGENCY COOPERATION AND INVESTIGATIONS OF ECONOMIC CRIMES, POSSIBLE RECOMMENDATIONS

The need for regional intelligence working groups to reinforce inter-agency cooperation at national and international levels

55. Success in detection of tax evasion in the fisheries sector depends on a number of factors, including good inter-agency working, detailed audit and investigation work and good international cooperation to obtain information and intelligence. The best results will be obtained when a programmed approach is taken. For instance, if the tax administration has recognised the nature of the threat in the fishing sector has shared that with the other agencies and has adopted a common approach. This leads to the systematic gathering of information and intelligence to develop profiles of criminal elements and structures of organised crime. Each agency can make its specific contribution, and there is scope for joint audits and inspections.

56. Inter-agency cooperation needs to be driven at a high level within governments in order to get traction. Tax administrations have been developing cooperative approaches with other agencies for some time and this is a key element of the OECD Oslo Initiative on combating tax crime. Countries can look for guidance and examples of good practice in the report *Effective Inter-Agency Co-Operation in Fighting Tax Crimes and Other Financial Crimes (second edition Nov 2013)*, which describes a number of models for cooperation on countering crime and on sharing of information. For such cooperation, the additional information sharing between agencies is an area that may require changes to legislation or regulation.

57. Since a number of complementary legal approaches can be used and are needed to combat fisheries crime and IUU fishing, each international organisation can use its particular mandate and expertise to play a role in assisting states to develop and strengthen their legal frameworks to detect, investigate and prosecute fisheries crimes (figure 2). International agencies and individual countries can work together to assess and reform the governance framework, which includes fisheries law and regulations, criminal codes, tax legislation, anti-corruption law, labour laws, organised crime laws and the law criminalising document fraud. Further information on mandates and roles of international organisations are provided in Annex.

Figure 2. International organisations coming together to tackle fisheries and related crimes



58. Existing international arrangements for exchanging information between tax administrations are also important. These can be given added leverage working through regional intelligence sharing groups, like the North Atlantic Fisheries Intelligence Group (NAFIG). The NAFIG began life as the North Sea Fisheries Intelligence Group and extended its scope and developed its remit in response to the *Evading the Net* report. It brings together a network of experts and intelligence analysts from the tax and customs administrations and the fisheries authorities of the member countries and its role is to stimulate international cooperation and to share both strategic and tactical intelligence using existing legal mechanisms. It also aims to share its insights with OECD TFTP and to participate in training events. On a practical level it has seen several successes in tackling fisheries crime by the timely exchange of intelligence on a bilateral basis. NAFIG also provides encouragement for similar initiatives in other regions, especially in developing countries.

Improve investigations on the core economic crimes underlying fisheries crimes

59. Tax authorities, by launching financial investigation, can help provide critical evidence that a crime has occurred and should be an integral part of an overall fisheries crime strategy in cooperation with fisheries authorities.

60. This is especially relevant in the context of the Flags of Convenience issue with clear connections with the issue of the real beneficial owner. At the global level, there have been recent improvements in FATF Anti-Money Laundering and terrorist financing regulations and in the Global Forum's international standard on transparency in respect to availability of beneficial ownership information. Given the broad nature of the FATF and Global Forum standard these organisations could through their peer reviews highlight the weaknesses in certain shipping registers.

61. An effective approach to ensuring tax compliance is to provide a good and easy-to-use tax system, a well trained and experienced audit capability, access to financial information and intelligence and a capacity for investigation and prosecution. In terms of recommendation for tax administrations, those

in the OECD *Evading the Net* report remain valid and are still to be implemented in many countries. It is worth adding some further comment to them.

Box 5. Recommendations to detect tax crimes within the fisheries sector

Tax administrations should assess their country's vulnerabilities to tax crime arising within the fisheries sector and related service providers, and the effectiveness of existing legal powers and procedures in preventing, detecting and investigating these crimes.

1. A strategy should be developed for tackling tax crime in the fisheries sector and related service providers within their overall approach to tax compliance. This strategy should:
 - promote voluntary compliance in the fisheries sector, including the use of a communications programme aimed at the key stakeholders;
 - ensure that tax examiners, tax auditors and tax crime investigators have the relevant skills and knowledge to detect and combat tax crime in the fisheries sector, within the scope of their roles;
 - improve detection and counter-measures to combat tax crime in the fisheries sector through a whole of government approach, building co-operation with key partner agencies including, *inter alia*, the customs administration, fisheries authority and inspectorate, coastguard, police and other law enforcement authorities; and
 - promote international co-operation, including exchange of information, with overseas tax administrations in combating tax crime and, where appropriate and permitted, the sharing of information received from overseas concerning serious non-tax offences with the relevant government authority or law enforcement authority.

In collaboration with other relevant agencies, tax administrations should consider the establishment of regional intelligence working groups, similar to the North Sea Fisheries Intelligence Group established in 2012, to identify greater opportunities for sharing intelligence to combat tax crime in the fisheries sector, and to facilitate efficient and effective exchange of information within applicable laws and regulations.

62. Tax administrations are recommended to assess their country's vulnerabilities, but this is not intended to cover only their own fisheries areas, but should extend to the behaviours and activities of their nationals/residents outside their own zone. It should also include the onshore activities which are part of the fisheries value chain.

63. Strategies should include engaging with the operators in the fisheries sector and promoting voluntary compliance, but of course this is only successful if there are appropriately severe penalties available for non-compliance and that the administration has access to information and intelligence about fisheries crimes to make the threat of detection real.

64. Some sharing of knowledge and skills has been taking place between individual countries but there is a growing demand for more structured training on tax crime in fisheries, bringing together expertise from tax investigators and fisheries inspectors and others. The *Evading the Net* report noted that a course was planned by OECD as part of its capacity building programme and it is now timely for this to be delivered. NAFig has committed to developing such training and this should be done taking account of the assessed needs of developing countries. There is scope for an element of the training to be South-South in character

65. Last but not least, private sector stakeholders can also contribute to the detection of underlying economic crimes with authorities. For instance, in OECD countries banks generally have to comply with

customer due diligence and politically exposed person requirements. They are required to identify their clients and the “beneficial owner” (i.e. the natural person(s) who ultimately benefits from or controls a legal entity, account, investment). Customer due diligence (CDD) compliance may also include conducting a risk assessment of the client, on the basis of which a risk rating is constructed (OECD, 2016). Investors have to be aware that there are clear financial risks related to fisheries crime, leading sometimes to bankruptcy¹⁶. Currently little due diligence is being done by large seafood companies to verify their supplies for legality. Insurance is also a service that is still valued and utilized by IUU vessel operators (Miller, 2016). Altering the incentive structure of IUU fishing net expected benefit vessel operators will change it such as restricting access to insurance (OECD 2005).

¹⁶ <https://www.undercurrentnews.com/2016/07/01/pac-andes-us-bankruptcy-protection-filing-aims-to-keep-ng-family-in-control-bank-of-america-blamed/> Pac Andes US bankruptcy protection filing aims to keep Ng family in control; Bank of America blamed, July 1, 2016

ANNEX

Complementary mandates and work of international organisations in reinforcing co-operation

66. Since 1999 international institutions have been closely collaborating on combatting illegal, unreported and unregulated fishing. In this regard, the Food and Agriculture Organization of the United Nations (FAO), the International Maritime Organization (IMO) and the International Labour Organization (ILO) provide a good example of the benefits of cooperating on IUU fishing. The IMO works to improve safety at sea and protect the marine environment, while the ILO looks at working conditions on board fishing vessels. Poor safety and working conditions, forced labour and human trafficking drive down the cost of illegal fishing. The FAO focuses on fisheries management, governance and resource sustainability issues, including through the promotion of responsible fishing practices and behaviour.

67. The FAO also develops voluntary and binding instruments relating to international fisheries, which define the responsibilities of flag states, port states, coastal states and market states, and provides guidance and capacity development assistance for the implementation of such instruments. The FAO Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing (PSMA), which entered into force on 5 June 2016, is the first binding international agreement to specifically target IUU fishing. The FAO has worked with member countries to develop and implement the Voluntary Guidelines for Flag State Performance (2015), the International Plan of Action on IUU fishing (2001), the FAO Compliance Agreement (1993) and the development of the Global Record of Fishing Vessels Refrigerated Transport Vessels and Supply Vessels (Global Record).

68. FAO also oversees a large network of Regional Fisheries Management Organisations which have responsibilities for coordinating fisheries management within the geographical zones or in relation to certain fish stocks, e.g. the North East Atlantic Fisheries Commission or the Indian Ocean Tuna Commission. RMFOs play an important role in improving and developing new cooperative initiatives such as catch documentation and IUU vessel lists to combat IUU fishing.

69. UNODC has a mandate for assisting countries in relation to transnational organised crime. It is also addressing emerging forms of crime, such as environmental crime, cybercrime and trafficking in cultural artefacts. These are in addition to major programmes against, drug and weapon smuggling, terrorism, human trafficking and corruption.

70. In 2011, the UN Office on Drugs and Crime (UNODC) released an issues paper on *Transnational Organized Crime in the Fishing Industry*, which laid out the extensive trafficking in persons, smuggling of migrants and illicit drugs trafficking that needs to be addressed. Among the issues highlighted were:

- Severe abuse of fishers trafficked for the purpose of forced labour on board fishing vessels.
- The frequency of trafficking of children in the fishing industry.
- Transnational organized criminal groups are engaged in marine living resource crimes in relation to high value, low volume species such as abalone

- Transnational fishing operators are engaged in marine living resource crime
- Fishing licensing and control system is vulnerable to corruption, as is the practice of awarding foreign fleets access rights to fishing grounds in developing States and possibly also the system of allowing foreign corporate entities the right to operate commercial ship register of flag States that are unable or unwilling to enforce their criminal jurisdiction
- Fishing vessels are used for the purpose of smuggling of migrants, illicit traffic in drugs (primarily cocaine), illicit traffic in weapons, and acts of terrorism.
- Fishers are often recruited by organized criminal groups due to their skills and knowledge of the sea, they seldom seem to be regarded as the masterminds behind organized criminal activities involving the fishing industry or fishing vessels

71. The International Labour Organisation (ILO) added to UNODC paper by producing a survey of literature under the title *Caught At Sea - Forced Labour and Trafficking in Fisheries* in 2013.

72. The OECD Task Force on Tax Crimes and Other Crimes (TFTC) is mandated to improve co-operation between tax and law enforcement authorities, to improve the ability of tax administrations to identify, audit, investigate and disrupt tax crime and other serious crime, and to raise global awareness of the links between tax crime and other serious crimes. A report *Evading the Net: Tax Crime in the Fisheries Sector* was produced by the TFTC and provides a guide for tax auditors and investigators on how to address the risks in the fisheries sector. The work in the OECD on tax crimes in the fisheries sector was informed by the 2011 UNODC report.

73. A recent paper on the “paradigm” of fisheries crime notes that one of the advantages of “recasting illegal fishing as fisheries crime” is the role that can be played by INTERPOL as well as the use of information channels such as mutual legal assistance agreements and possibly agreements on exchange of information for tax purposes (De Coning, 2015). Interpol play a valuable role which has been developed in recent years along with Project Scale, a global initiative to detect, suppress and combat fisheries crime.

74. Since 2013 INTERPOL has treated IUU fishing as a risk indicator for transnational organised crime in the whole fisheries sector value chain. States and their corporate services have all been revealed by INTERPOL operations to be among at least 25 interconnected and now cooperating enforcement jurisdictions previously exploited by some of the most notorious, durable, and profitable criminal fisheries business models. Interpol also has a programme to provide operational assistance to national law enforcement agencies and to facilitate international cooperation in relation to fisheries crime.

75. Within the recent establishment of the Fisheries Crime Working Group, Interpol has the objective to:

- Enhance and develop the capacity, capability and cooperation of member countries to effectively enforce fisheries and crossover crimes;
- Encourage and assist the exchange of information and intelligence related to fisheries crime among member countries;
- Provide analytical and operational support to member countries in the enforcement of fisheries laws and regulations;
- Encourage and facilitate networking, channels of communication and exchange of technical expertise between member countries for the purpose of fisheries law enforcement.

76. This Working Group highlights the need to take law enforcement action against transnational criminal gangs involved in illegal fishing and to do so in addition and in cooperation with the actions within the remit of national fisheries regulators and regional fisheries management organisations. The fundamental fisheries crime behind the working group is environmental crime, which undermines the sustainability of marine resources and threatens food security. But informed by the UNODC report the Working Group also targets “crossover crime” - crimes related to the operation of fisheries crime, such as trafficking of persons, smuggling of drugs and arms and economic crimes, such as tax evasion, corporate crime, document fraud and money laundering.

77. Recently, in February 2016, an Expert Group Meeting on fisheries crimes was jointly convened by World Wildlife Fund (WWF) and the UNODC where many international organisations participated. Ten key recommendations were proposed aiming to contribute to combat transnational and organised fisheries crime impacting on coastal community livelihoods in developing countries.

78. Regional and international organisations can support efforts to fight fisheries related crimes by sharing good practices, collaborating on projects and promoting effective inter-agency and international cooperation. A number of international instruments emphasise such support and can act as mechanisms to support states and inter-agency cooperation at national, regional and international level¹⁷.

79. The OECD, the FAO and the UNODC have produced major reports and recommendations on combating fisheries related crimes and IUU fishing. These have been complemented by reports from other governmental, intergovernmental, academic organisations and NGOs. To further reinforce international cooperation a joint OECD-FAO-UNODC conference and workshop was held this October on *Combating Tax Crime and other Crimes in the Fisheries Sectors* with the participation of various stakeholders.

¹⁷ These include: the 1993 FAO Compliance Agreement, the United Nations Convention against Transnational Organized Crime, adopted by General Assembly resolution 55/25 of 15 November 2000; the 2001 International Plan of Action to prevent, deter and eliminate IUU fishing; the 2015 Voluntary Guidelines for Flag State Performance, and the 2009 FAO Agreement on Port State Measures to prevent, deter and eliminate IUU fishing (PSMA).

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