

FACT SHEET

# UNETHICAL SEAFOOD: HOW U.S. LEADERSHIP CAN CURB ILLEGAL FISHING

Globally, roughly three billion people rely on wild-caught and farmed seafood as a primary source of protein, and the fishing sector provides jobs for millions of workers worldwide.<sup>1</sup> When fish stocks are overexploited, there are grave social, economic, and environmental consequences. Illegal fishing, more comprehensively referred to as illegal, unreported, and unregulated (IUU) fishing, is a major driver of overfishing; depleting fish populations, harming marine habitats, and endangering sensitive species.<sup>2</sup> IUU fishing is also linked to transnational crimes, including human trafficking, money laundering, murder at sea, and drug and arms trafficking.<sup>3</sup> As detailed in NRDC’s January 2021 report, “On the Hook: How the United States Enables Illegal, Unreported, and Unregulated Fishing,” the United States has an opportunity to more effectively combat IUU fishing by improving our seafood screening system, building up state and federal law enforcement capacity, strengthening interagency collaboration, and enhancing enforcement actions at key ports.<sup>4</sup>

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## WHAT IS IUU FISHING?

**Illegal** fishing activities are those that violate national or international laws. Examples of these violations include: fishing without a license, fishing in restricted zones such as marine protected areas, keeping fish that are not of legal size, using prohibited gear, or violating other national or international regulations and laws relating to the harvest of marine resources.<sup>5</sup>

**Unreported** fishing includes harvest and other activities that are not reported or are misreported to the relevant management body. Unreported fishing can skew stock assessments and undermine fishery management plans. Lack of reporting is also a means of concealing illegal fishing practices.

**Unregulated** fishing occurs in areas where there are no applicable national, regional, or international conservation or management regulations, and where such fishing activities are inconsistent with or in contravention of obligations under international law. For example, this would include fishing outside any state's exclusive economic zone (EEZ), where there is no applicable regional fisheries management organization (RFMO) and where no other internationally agreed-upon restrictions exist. Unregulated fishing also takes place when there are RFMO regulations in effect, but a fishing vessel flies a flag that is not party to that RFMO and does not adhere to those regulations.

Currently no statutory or legal definitions of IUU fishing explicitly include labor or human rights violations. The definition of IUU should be revised to include these violations, which often go hand in hand with IUU fishing.

### IUU FISHING FAST FACTS

#### \$26 Billion–\$50 Billion

Globally, IUU fishing costs between \$26 billion and \$50 billion in lost economic impact as illegally harvested fish are diverted from legitimate commerce streams.<sup>6</sup>

#### 20–32%

An estimated 20 to 32 percent of seafood (by weight) sold in the U.S. market results from illegal and unreported fishing.<sup>7</sup>

#### \$1 Billion

Illegal imports put U.S. fishermen at an economic disadvantage. Research shows they could be losing \$1 billion dollars in revenue per year because of IUU imports.<sup>8</sup>

## HUMAN TRAFFICKING AT SEA IS A PERVERSIVE AND DEADLY PROBLEM

Human trafficking is tragically pervasive in the seafood industry. In fact, environmental and labor abuses in the seafood industry are interwoven problems that mutually enable and reinforce each other.<sup>9</sup> There are a number of factors linking the two. The global demand for seafood is only increasing, leading to immense pressure across the multibillion-dollar industry to produce seafood for the world's growing population.<sup>10</sup> At the same time, seas across the globe have been dramatically overfished over the past several decades, with many fisheries collapsed or on the brink of failure. As fishing vessels are forced to travel farther from shore to fish due to depleted fish populations, fixed costs such as fuel, food, and other provisions necessarily increase. Higher fixed costs create incentives to engage in illegal operations to make a profit—including exploiting the only cost that is not fixed: labor. As a result, on today's fishing vessels, a significant number of people are tricked, trafficked, and then trapped in exploitive work environments. Once laborers are onboard a fishing vessel, they may be forced to work for little or no money and can be beaten, starved,



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drugged, and even imprisoned in cages.<sup>11</sup> Many of them are at sea for months at a time; some remain there for years.

“If Americans and Europeans are eating this fish, they should remember us,” said Hlaing Min, 30, a survivor of human trafficking.<sup>12</sup>



## HOW THE UNITED STATES CAN HELP END IUU FISHING AROUND THE WORLD

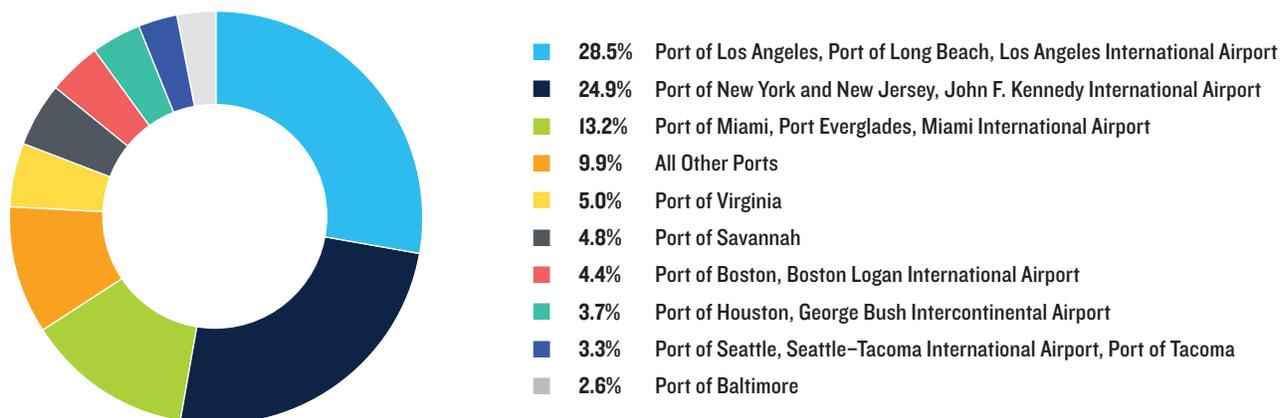
IUU fishing and associated human rights abuses are complex global problems that will be difficult to solve. To end IUU fishing, nations around the world must address deficiencies in enforcement, management, and international cooperation. IUU fishing flourishes when there are problems on the harvesting side—nations with weak fisheries management, an unwillingness or inability to patrol their waters, and an unchecked flow of trafficked labor—and on the demand side —nations willing to tolerate these practices and import seafood of questionable legality.

As the world’s top seafood importing country by value, a crucial step the United States can take to end IUU fishing is to reject IUU shipments that enter U.S. markets.<sup>13</sup> The United States has the unique opportunity to leverage its market power to reject IUU fishing practices and to drive

global changes in the seafood sector. Doing so will require increasing enforcement of U.S. laws, better seafood screening at our ports, and modernizing electronic import control and surveillance systems.

The United States faces key gaps in enforcement infrastructure and governance that must be filled if it is to successfully block IUU seafood from the U.S. market. As a first step, the United States should bolster capacity to inspect and investigate seafood that arrives at key domestic ports. Sixty-six percent of all U.S. seafood imports come through the customs districts of Los Angeles, New York, or Miami (see Figure 1). By improving and strengthening screening measures in these three districts, the United States can greatly reduce the amount of illegal seafood coming into the country.

FIGURE 1: AVERAGE SEAFOOD IMPORTS AS A PERCENTAGE OF TOTAL U.S. SHARE BY PORT, 2012 TO 2018





Efforts to improve enforcement must include dramatically improved coordination among federal agencies as well as strengthened federal and state partnerships to block seafood products that result from IUU fishing and human trafficking. Although state and federal agencies each have distinct and crucial roles in blocking IUU-fished shipments, these agencies often operate at cross-purposes, impairing investigations.

Second, the United States is relying on an outdated electronic import screening system. Analysts at the National Oceanic and Atmospheric Administration (NOAA) can use the current system to manually conduct searches and create tailored flags to identify suspicious seafood shipments. However, given the tremendous volume of imports and limited agency resources, the system must be modernized to use predictive learning and artificial intelligence to automatically target high-risk shipments. Ideally, this system should be able to securely link to an electronic traceability system from the first point of harvest to the final point of sale.

The United States must also expand the Seafood Import Monitoring Program (SIMP), which is a seafood documentation system that currently requires boat-to-port supply chain traceability for 13 species and species groups.<sup>14</sup> However, the SIMP could be a far more powerful tool to combat IUU fishing practices. SIMP implementation has not been robust and faces a variety of challenges, ranging from failure to collect required data to capacity challenges within NOAA. Further, the program currently covers only 40 percent of all U.S. seafood imports, creating significant monitoring and enforcement loopholes.<sup>15</sup> An expanded and better-implemented SIMP would greatly increase our ability to find IUU-fished imports and create greater transparency in the seafood industry. Moreover, the SIMP should require information on labor conditions for all imported seafood, to help the United States enforce against the use of forced labor at sea.

Third, beyond targeting IUU-fished seafood imports once they reach the United States, the United States has a powerful diplomatic role to play in strengthening international efforts to combat IUU fishing. The High Seas Driftnet Fishing Moratorium Protection Act (High Seas Driftnet Act) creates a process through which the United States must identify and publicly report nations engaged in IUU fishing and other harmful fishing practices, including bycatch of protected marine species and fishing for sharks on the high seas. The United States must then consult with identified nations to address fishing “violations,” and then issue a positive or negative “certification” to track whether a nation has addressed the problems within its fleet. Ultimately, the United States can impose sanctions—including targeted bans on seafood imports—on nations that fail to improve. But NOAA chronically declines to use the High Seas Driftnet Act as it was intended. For example, in 2019, despite evidence to associate more than 50 nations and regions with IUU fishing—including by-catch of protected species and fishing for sharks on the high seas—NOAA identified *only three* nations as being culpable for IUU fishing.<sup>16</sup> The United States should use the High Seas Driftnet Act more robustly, combining it with the strength of the U.S. seafood import market to push other nations to curb their harmful IUU fishing practices.

Finally, the United States must use the many tools that are available to promote transparency about illegal practices in the seafood supply chain and combat trafficked labor in the seafood industry; these include the Tariff Act, which enables the United States to bar goods produced with forced labor; and various government reports highlighting labor violations, including the State Department’s Trafficking in Persons report, the Department of Labor’s List of Goods, and the IUU report required under the Maritime SAFE Act.

## DETAILED POLICY RECOMMENDATIONS

The United States should better leverage its influence as the world's top seafood market to stamp out IUU fishing and accompanying human rights and labor abuses. NRDC urges the following actions to achieve those goals.

1. To close its markets to IUU-fished seafood, the United States should improve its seafood import screening system, bolster its capacity to inspect seafood at key ports, and increase federal and state collaboration and communication. It should:
  - Build investigatory capacity at federal and state levels. State and federal officials cannot feasibly prevent IUU seafood from entering U.S. commerce without an active, trained, and consistent workforce stationed at U.S. ports. To begin to build capacity, the U.S. should focus its efforts on the ports of Los Angeles/Long Beach, New York/New Jersey, and Miami.
  - Modernize the electronic import screening system so that it can more automatically and proactively identify high-risk shipments. A sophisticated system that uses artificial intelligence could dramatically increase the number of shipments screened and overall accuracy in targeting high-risk shipments.
  - Improve federal and state collaboration. State enforcement agents play a crucial role in gathering on-the-ground intelligence, yet they often need support and information from federal agencies to develop an enforcement case. NOAA law enforcement officials have access to key international contacts and import information but lack the on-the-ground presence that states have. By sharing information and collaborating routinely on investigations, U.S. state and federal authorities can enhance counter-IUU enforcement.
2. The United States must enhance the impact of the Seafood Import Monitoring Program (SIMP). With an expanded scope and more robust implementation, the SIMP can be a key tool in deterring IUU fishing and human rights abuses in the seafood sector. NOAA should:
  - Expand the SIMP to include all seafood species. At present, the program covers only 13 species groups—just 40 percent by volume and value of seafood imports to the United States—creating huge enforcement and monitoring loopholes.
  - Require, as a condition of entry into the United States, that seafood importers consistently provide key data elements such as the Unique Vessel Identifier (e.g., the International Maritime Organization [IMO] number), authorization to fish, and transshipment information at the time of entry. NOAA should also require more specific information on the location of catch, beneficial owner of the vessel, and Automatic Identification System (AIS) data as a condition of entry.
  - NOAA should provide additional guidance and training for seafood supply chain actors and governments on how to comply with the SIMP requirements.

3. To help address weak fisheries governance in producer countries, the United States should better enforce and strengthen existing laws. Specifically, it should:
  - Use the High Seas Driftnet Fishing Moratorium Protection Act to identify nations violating IUU regulations and strengthen the consultation process and the ability to apply sanctions to nations that allow IUU fishing.
  - Use laws such as the Maritime SAFE Act and the Trafficking Victims Protection Act to identify nations enabling labor abuses and human rights violations in their seafood supply chains.
  - Fully use its authorities under the Tariff Act, Lacey Act, and Magnuson–Stevens Act to stop shipments of IUU seafood and seafood produced with forced labor and prosecute those responsible for such imports.
  - Expand the definition of IUU fishing in key statutes to mirror the Food and Agriculture Organization's definition, explicitly include human trafficking violations, and broadly apply it to all IUU fishing.
4. The United States must reject seafood imports that have been caught with trafficked, forced, or other exploitative labor practices. It should:
  - Mandate that information on labor conditions be included in SIMP reporting requirements. This information on labor conditions should be developed in consultation with workers, unions, and human rights and labor organizations, and it should indicate whether seafood was caught in accordance with international labor and human rights laws and standards.
  - Facilitate effective interagency collaboration to better connect anti-IUU related processes with expertise around human trafficking.
  - Better enforce the Tariff Act's (19 U.S.C. § 1307) ban on the importation of merchandise made by forced or indentured labor, as well as statutes prohibiting the import of illegally produced goods, such as the Lacey Act and Magnuson–Stevens Act.
  - Direct the Maritime SAFE Act Interagency Working Group on IUU Fishing to require robust implementation of laws requiring reporting on labor and human rights violations in the seafood supply chain, including the Maritime SAFE Act and the Trafficking Victims Protection Act.

The United States has an opportunity to be a leader in the fight against IUU fishing and human rights violations at sea. Adopting these recommendations in concert will help to ensure more sustainable and ethical seafood supply chains, protect the livelihoods of U.S. fishermen, and increase consumer confidence in the seafood sold in the United States.

## ENDNOTES

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