



**North Atlantic
Fisheries
Intelligence Group**

Inter-agency Workshop and Tabletop Exercise on crimes in the Fisheries Value Chain

29 – 30 October 2019
North Atlantic House,
Copenhagen Denmark

This workshop was made possible
thanks to the generous support of the
Nordic Council of Ministers

Executive Summary

The aim of the event was to raise awareness and to highlight the importance of inter-agency and cross border collaboration when evaluating and combating fisheries crimes along the value chain. Representatives from a range of agencies with different perspectives, including food safety, fisheries, tax, customs, coast guard and police attended from 9 countries.

Fish Crime is a term that encompasses a range of inter-related criminal actions that can occur along the fisheries value chain, from 'boat to plate'. Participants were presented with a number of realistic scenarios designed to provoke group discussion and to demonstrate why consideration of different viewpoints is vital when addressing compliance risks along the value chain. The methodologies used for identifying and evaluating risks was discussed. Opportunity was also taken to explore issues that give rise to barriers to effective cooperation. The participants discussed limitations imposed by internal procedures and the law. A general observation is that fisheries crime is not perceived by senior managers to be of high risk. That view is likely to be erroneous because the true extent of the risks in fisheries is not being evaluated; a holistic approach ought to be adopted which recognizes the harm that fisheries crime causes.

The feedback from participants was good, both on format and content. The inter-agency and cross border approach gives the participants a broader perspective, encourages the adoption of a holistic approach and highlights the need for co-operation between authorities both nationally and internationally.

Recommendations:

- There is a lack of awareness of fisheries crimes at a senior management level. It is therefore **important for NA-FIG to be able to give constructive advice to members on how to approach senior management.**
- Where there are no formal agreements in place between agencies, then informal/personal contacts will be the preferred method for inter-agency work this is likely to be just as effective (if not more effective and faster) than formal mechanisms. The time taken between making a formal request and getting a response is too long **we recommend that an informal approach to obtain intelligence combined with a formal approach to produce evidence is adopted. Formal agreements should be put in place where appropriate to facilitate this.**
- Fisheries crime is an environmental issue but the body politic suffers, resulting in societal damage (harms). Some countries are starting to recognise harms reduction as the focus in reducing fisheries crime. **We recommend that member countries/agencies seek to adopt a harms reduction approach in the measurement and evaluation of risk**
- There is a need for a shared understanding of the legal powers and mechanisms for sharing information and intelligence between agencies and across borders. **We recommend that NA FIG carries out a survey of members so that we may understand the mechanisms that currently exist but also to identify gaps and barriers to the flow of information and intelligence so that these can be broken down.**
- Labour exploitation is a serious issue in the fisheries sector. **We recommend that NA FIG arranges a workshop on labour exploitation in fisheries in 2020.**

Introduction

The North Atlantic Fisheries Intelligence Group (NA-FIG)¹ invited representatives from relevant agencies to a two day inter-agency cross-border workshop (WS) and Table Top Exercise (TTX) on, "A whole of government approach to prevent and combat fisheries crime in the value chain – from hook to plate" run from 29th to 30th October 2019,

The 2 day workshop, held at North Atlantic House, Copenhagen aimed to:

- Raise awareness of the relevance of the value chain approach for the investigation and prosecution of fisheries crime.
- Give participants a broader perspective of the range of issues that exist along the value chain to enhance their ability to detect, prevent and combat fisheries crime, specifically within the context of:
 - Limitations imposed by agency responsibilities and legislative frameworks
 - The impact of lack of co-operation within states and across national boundaries
 - Legislative lacuna
 - Emerging and unidentified risks
- Examine the various agencies' areas of responsibility, powers and methods of enforcement in combating fisheries crime by considering problems and scenarios at different stages of the value chain from the perspective of others.
- Discover the challenges of different agencies and make recommendations on ways to enhance cooperation between agencies both nationally and internationally.
- Promote the networking of professionals, sharing of intelligence and good practices learnt in the investigation and prosecution of fisheries crime at every step of the value chain.

The workshop was attended by 45 participants from varying agencies (Tax Authorities, Customs, Fisheries Authorities, Police, Food Safety Authorities, Coast Guard and others) from 9 countries of the North Atlantic region, namely: Denmark, Sweden, Netherlands, Iceland, Greenland, United Kingdom, Canada, Faroe Iceland and Norway. A full list of participants can be found in Annex 1 at the end of the document.



¹ NA-FIG (nafig.org) is an intelligence group whose purpose is to foster cooperation between authorities and across national boundaries to detect, prevent and combat crime in the fisheries sector. Membership is open to any agency with an interest in fisheries crime from any OECD member state bordering the North Atlantic.

Core Group

The WS and TTX was organised by the North Atlantic Fisheries Intelligence Group (NA-FIG) supported by The Nordic Council of Ministers. A core group was responsible for the organisation, development, planning and execution of the WS and TTX:

- [Thomas Gottliebse](#) Barbré, *Food Safety Authorities, Denmark*
- [Pia Bech Langgaard](#), *Customs, Denmark*
- [Per V Hansen](#), *Tax Authorities, Denmark*
- [Nick Branigan](#), *Tax and Customs, United Kingdom*
- [Hervé Casadepax](#), *Fisheries Authorities, Greenland*
- [Áslaug Eir Hólmgeirsdóttir](#), *Fisheries Authorities, Iceland*
- [Roger Andreassen](#), *Coast Guard, Norway*
- [Hans Petter Tetmo](#), *Tax Authorities, Norway*
- [Sølvi Åmo Albrigtsen](#). *Tax Authorities, Norway*

Workshop and Table Top Exercise

The Workshop and Table Top Exercise was set up as a simulation of a realistic series of events that were designed to test the response mechanisms of the participating government agencies, both individually and in cooperation, in a benign environment. The objective was to confront participants with real problems and to identify areas for improvement in both responses and cooperation. The WS and TTX was not an exam, and there were no right or wrong answers. The success was measured by the extent to which the WS and TTX triggered discussions and reflections for further improvement of operational preparedness.

Notes on observations, comments, suggestions for solutions on problems and recommendations given during the WS and TTX have been recorded, so that management and operational units can improve their response mechanisms.

Opening address: Bjørn Tore Erdal of the Nordic Council of Ministers

The opening address was given by Bjørn Tore Erdal of the Nordic Council of Ministers.

He referred to the Ministers' Declaration on Transnational Organised Crime in the Global Fishing Industry. This states that signatories to the Declaration:

- *"Recognize that our countries are dependent on the sea and its resources and the opportunities it holds for the economy, food and well-being of our population and we are determined to support a healthy and thriving fishing industry that is based on fair competition and the sustainable use of the ocean.*
- *Are committed to work towards the fulfilment of the UN Sustainable Development Goals particularly in relation to Goal 14 on "Life Below Water" and Goal 16 on "Peace, Justice and Strong Institutions."*
- *Support Nordic cooperation, in accordance with national and international law, and EU-law when applicable, against the challenge posed by transnational organized fisheries crime and will seek*



cooperation with other regions of the world in order to find effective solutions to these challenges.

- *Are convinced that there is a need for the world community to recognize the existence of transnational organized crime in the global fishing industry and that this activity has a serious effect on the economy, distorts markets, harms the environment and undermines human rights.*
- *Recognize that this transnational activity includes crimes committed through the whole fisheries supply and value chain which includes illegal fishing, corruption, tax and customs fraud, money laundering, embezzlement, document fraud and human trafficking.*
- *Recognize further the inter-continental flow of illegal fish products, illicit money and human trafficking victims in transnational organized crime cases in the global fishing industry and that all regions of the world need to cooperate when investigating such acts*
- *Are convinced that inter-agency cooperation between relevant governmental agencies is essential at a national, regional and international level in order to prevent, combat and eradicate transnational organized crime in the global fishing industry,*
- *Are also convinced that there is a need for international cooperation and that developing countries are particularly affected.*
- *Recognize the particular vulnerability of small-island developing states and other Large Ocean Nations of the impact of transnational organized crime in the global fishing industry.*
- *Are also convinced the need for continuous support on the highest level and the necessity for awareness raising on these issues through events such as the International FishCrime Symposium."*

The Value Chain approach

The Value Chain is a useful tool to evaluate and assess risks along each step in the chain, from preparation through to fishing, landing, processing, – export/import and retail. Use of the value chain will identify common risks and highlight the need for interagency co-operation in order to maximize the information available and to improve effectiveness in combatting fisheries crime, both nationally and internationally.

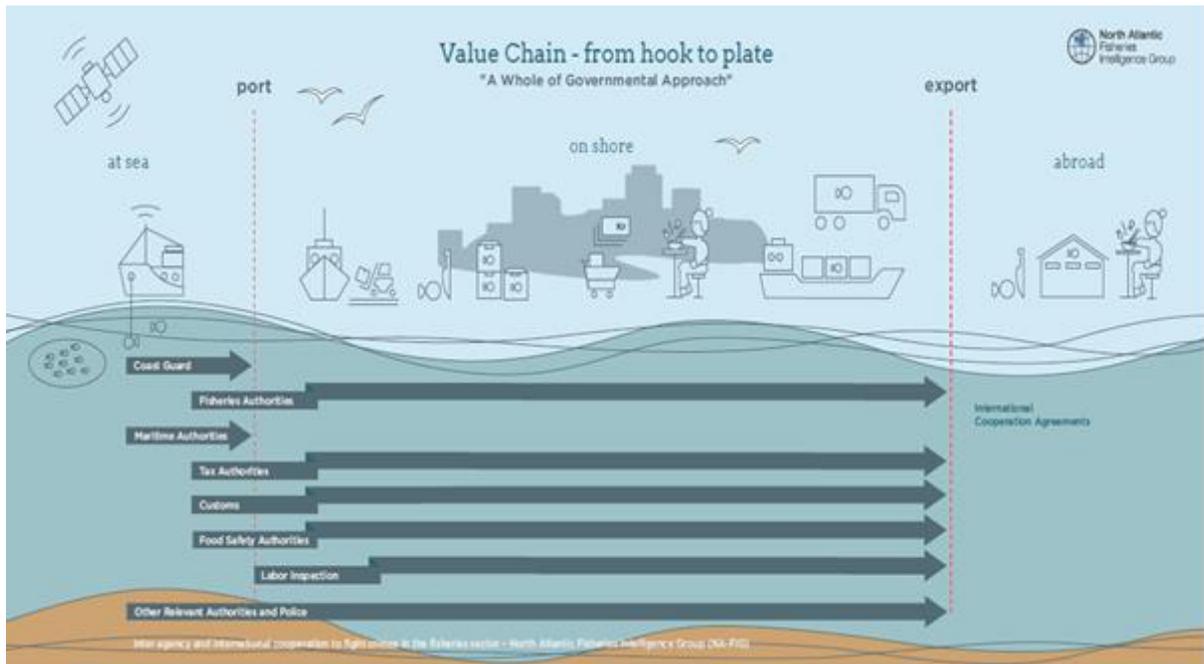


Figure 1: Value Chain – NA-FIG

Serious offences

The WS and TTX focused on serious offences in the fisheries value chain as defined by the UNODC. The UNODC divides fisheries crime into three broad but interconnected types: IUU fishing, fisheries related crimes (fraud, money laundering, corruption, tax crimes and labour exploitation) and crimes associated with the fisheries sector (people smuggling, drug & firearms, piracy and terrorism).

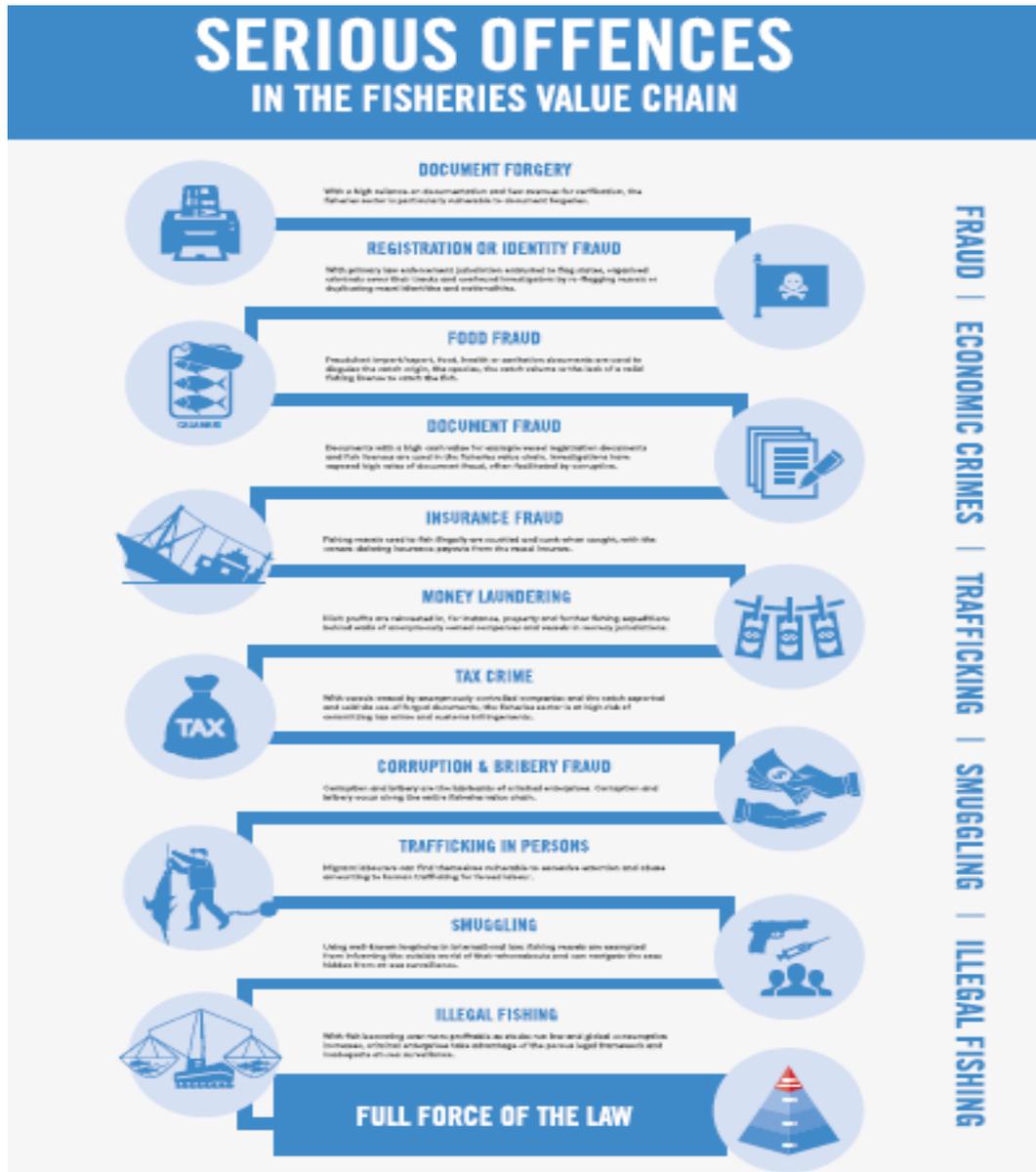


Figure 1: Fisheries Crime - UNODC

Key workshop findings

Participants were asked a series of questions and were asked to give responses on behalf of the country they represented. Here we summarise the responses given.

Multi agency cooperation

In a number of countries there are formal agreements between specific agencies but there is no country where there is an overarching formal mechanism for cooperation and/or information sharing across all agencies. There appears to be a growing awareness that such mechanisms may be desirable but a certain degree of inertia in putting them in place. Cooperation may exist at various levels and with varying degrees of formality.

Problems with cooperation

The main issues preventing effective information-sharing are rules and laws aimed to protect customer confidentiality. This is a particular issue for tax and customs authorities. Those formal processes for information sharing that do exist can be overly bureaucratic and slow. In smaller countries informal arrangements are preferred and are more effective. Groups such as NA FIG can be useful routes for informal information exchange used in anticipation of the use of the formal procedures. Effective cooperation may be impacted by reorganisation of agencies, politics and financing. There may also be an absence of focus on fisheries crime resulting in a low prioritisation.

Compliance strategy

There is a considerable variation between countries in the degree to which compliance strategies are formulated. Although there may be an advanced and integrated strategy within a particular agency, it is not clear whether there exists a common compliance strategy for all agencies within the country in relation to fisheries crime. Where there is a multi-agency compliance strategy there are issues with getting an equal understanding of risks and of collaborating in a coherent manner. There may be a need for more joint risk analysis to improve inter-agency cooperation. Some countries have adopted or have an aspiration to adopt a harms reduction approach in the formulation of a compliance strategy. The size of the country may dictate whether a formal compliance strategy is required or is indeed desirable.

Some General Points

- Restrictions on exchanging information due to data protection and confidentiality issues is common to all countries.
- There can be a blinkered view of the value of cooperation and collaboration at a senior management level within agencies. Whilst countries commit to international policies to combat global fisheries crime there can be domestic political pressure which can nullify any effective action, particularly in those countries in which fisheries is economically important. Even in countries for which fisheries is not economically significant, the sector exerts substantial political influence. Investigators need to be aware of the political reality and configure this into their compliance strategies, with an emphasis on informal exchanges of information/intelligence at an operational level.
- Where there are no formal agreements in place, informal/personal contact is the preferred method for inter-agency work and it tends to be just as effective (if not more effective and faster). The time taken between making a formal request and getting a response is too long.
- For smaller countries it's easier to work together without formal arrangements.
- Fisheries crime is an environmental issue but the body politic suffers, resulting in societal damage (harms). Some countries are starting to recognise harms reduction as the focus in reducing fisheries crime.
- Participants were mostly aware of both the arrangements that existed between different agencies and the obstacles to effective cooperation. In relation to the TTX, participants were able to correctly identify all the issues (i.e. identify the main risks, identify evidence/documents needed) for each scenario however, they didn't always specify the mechanisms used to get the information.
- There may be a general lack of awareness of the legal powers and legal mechanisms for sharing information between agencies and across borders.
- A common obstacle is the political agenda versus resourcing.

Summary of points to take forward

1. In fisheries, any compliance model ought to be designed on the basis that the majority of the population will exhibit opportunistic behaviour with a minority of deliberate rule breakers. Compliance policy should be designed to change behaviour by forcing the majority of the population to reassess the cost benefit of non-compliance. The easiest way to achieve this is to degrade the profitability of non-compliance. The strategy should shift from a customer-service focus to a compliance approach designed to penalise those that do not follow the rules.
2. Transparency is essential, first in ensuring a level playing field. Fish are a public resource and therefore the public should have a right to know who holds the quota to catch fish. Secondly, the public should have a right to know who is breaking the rules and so a policy of naming and shaming defaulters by publishing their details should be adopted.
3. Investigators should be aware that quota has value and the acquisition of quota can be a determinative factor in how the sector is structured. Investigators therefore need to understand how quota is allocated and the mechanisms under which it can be acquired or transferred. This should include an understanding of the role of producer organisations. The trade in quota and role of producer organisations can result in a concentration of quota in fewer and fewer hands where domestic rules are not in place to ensure a fair distribution. This may result in foreign control and multinational issues.
4. To be effective, investigators should have a good understanding of how the fisheries sector operates, not only in their own jurisdiction but in others. There should be knowledge of how landings are recorded and how the weight of the catch is calculated for the official record (as this may vary from country to country).
5. Investigators should be aware of the mechanisms by which the weighing systems can be manipulated. They should also be aware that weights can also be manipulated using water and ice.
6. Investigators need to be commercially aware. They need to gain appreciation of the value of the product in order to identify anomalous transaction data.
7. The logbook (whether electronic or manual) is important as the first point of accountability on the value chain.
8. Investigators ought to be aware of the difficulty and cost of physical inspections at sea (because of the large areas to be covered). This means that risk management procedures are used for deployments. The difficulties surrounding at-sea inspections gives rise to widespread opportunistic behaviour.
9. Port controls can be easily circumvented.
10. The fishmeal sector is commercially important and should not be ignored. Where factory ships produce fishmeal at sea, this can give rise to compliance difficulties because it may not be possible to determine what the vessel actually caught.
11. When carrying out a physical investigation of an on-shore facility, it is important to speak to as many people on site as possible, and not just the management. Other sources of data should not be ignored, including mobile phones, emails etc.

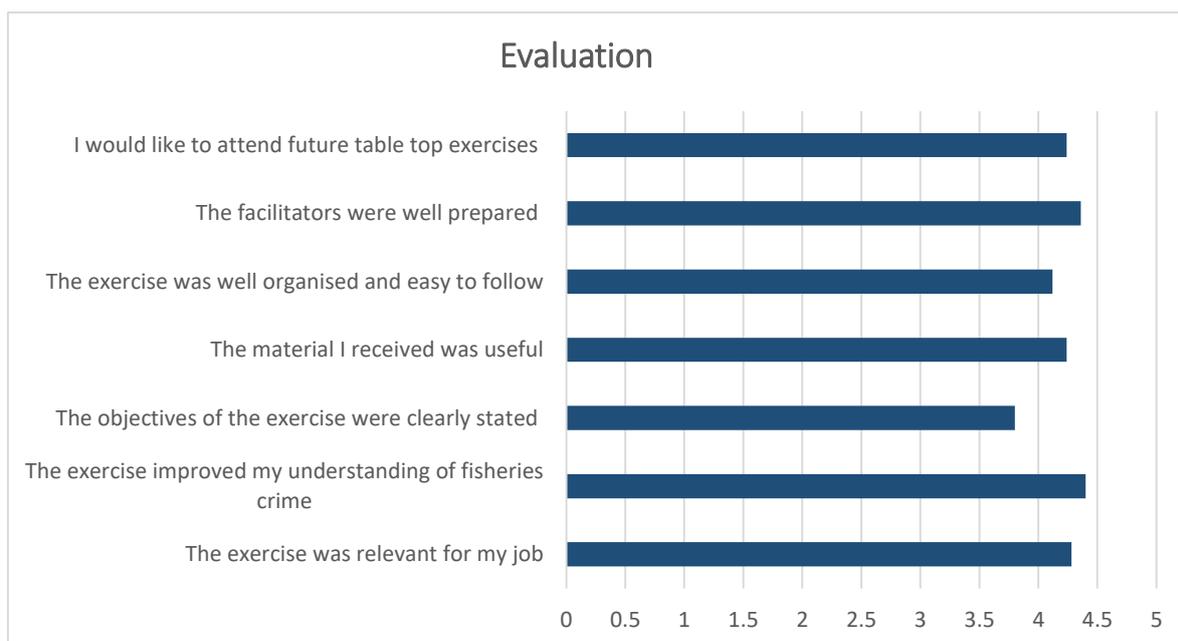
12. Visits to business premises should be unannounced rather than announced (assuming this is permitted in law).
13. A risk or harms reduction approach dictates that there should be a shift from customer service to compliance.
14. “Big data” analysis is fashionable and can be effective but it shouldn’t be used as the only risking tool. A range of compliance tools and strategies should be used in order to maximise operational effectiveness and flexibility.
15. Investigators should understand what happens within processing facilities and the production accounting procedures and records. Tax and other financial investigators should be able to understand the recording systems whilst inspecting or visiting the facility. The concept of a mass balance analysis should be understood to ensure that outputs are consistent with recorded inputs. Here analysis of transport records may be a valuable tool.
16. Labour exploitation (including the use of illegal workers, human trafficking and slavery) is a serious issue both in fishing and processing operations. Labour exploitation investigations may require specialist resource.
17. Facilitators and enablers are important. Businesses cannot operate in isolation. If you can’t disrupt the fishing business you may be able to indirectly disrupt it by focussing on those that facilitate its operations. This may require investigators to apply lateral thinking and to work collaboratively.
18. Adulteration and food fraud is a significant, widespread but largely invisible problem.
19. Different countries have different perceptions of risk and therefore will adopt different compliance strategies. This needs to be factored into cross-border investigations. If the compliance strategies are over-prescriptive there will be a lack of flexibility and the danger that emerging or unidentified risks will be ignored.

Recommendations

- There is a lack of awareness of fisheries crimes at a senior management level. It is therefore **important for NA-FIG to be able to give constructive advice to members on how to approach senior management.**
- Where there are no formal agreements in place between agencies, then informal/personal contacts will be the preferred method for inter-agency work this is likely to be just as effective (if not more effective and faster) than formal mechanisms. The time taken between making a formal request and getting a response is too long **we recommend that an informal approach to obtain intelligence combined with a formal approach to produce evidence is adopted. Formal agreements should be put in place where appropriate to facilitate this.**
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Feedback

Below are the results of the workshop evaluation survey based on the response of 25 participants



1 = Disagree 2 = Slightly Agree 3 = Neither Agree nor Disagree 4 = Agree 5 = Strongly Agree