



**NOAA  
FISHERIES**

**Office of Law  
Enforcement**

# **Taking IUU Investigations to the Next Level: Unmasking Ultimate Beneficial Ownership and Networks Behind IUU Vessels.**

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# Traditional Approach

- Identify fishing vessels engaged in Illegal fishing
- Collaborate with global partners to facilitate inspection and enforcement action; pressure flag State to take action against FFV and/or place vessel on IUU list with applicable Regional Fishery Body
  - If IUU listed, monitor and track vessel (which often changes flags and identifiers)
    - Refuse port entry and services
    - Refuse seafood imports
    - Continue efforts to facilitate inspection until effective enforcement action is taken or vessel is out of service (sold to new ownership, sunk/disposed, forfeited)
- Outcomes range from; no action against FFV, FFV scuttled or disposed of by operators, fines against company, forfeiture of vessel to imprisonment of captain.

Rarely actions against beneficial owners, who replace the FFV, captain and crew to continue operations, restarting the process.



# Ocean Star No 2 (IMO: 8665193)

## Overview

April 8, 2020

- The U.S. Coast Guard sighted the FV 270 NM off coast of North Carolina - within the ICCAT Convention Area.
- Radio communication with FFV indicated “Fish” as vessel’s purpose and “Taiwan” as home.
- CG personnel observed longline fishing gear on board
- No other information could be ascertained due to language issues.



# Ocean Star No 2 (IMO: 8665193)

## Responses to NOAA:

- Vanuatu Maritime Services
  - Claimed to transfer FFV to St. Vincent & the Grenadines Flag in June 2016.
- St. Vincent and the Grenadines Maritime Administration
  - FFV is not flagged to them
- Previously flagged by Bolivia (2012) under name of Wang Fa  
***Presumed to be without nationality (stateless) as of June 2016***

## Authorization to fish

- International Commission for the Conservation of Atlantic Tunas permit # AT000VUT00017. Expired 02/09/2016.
    - Confirmed w/ICCAT Secretariat
  - Indian Ocean Tuna Commission permit # IOTC013986. Expired 08/14/2015.
    - Confirmed via IOTC website
- No known authorization to engage in fishing since Feb 2016***

# Ocean Star No 2 (IMO: 8665193)

May 2020 – NOAA Correspondence submitted to:

- Atlantic partners - Analytical briefing to collect further information and facilitate an inspection and investigation against the vessel
- ICCAT – Proposed for IUU listing (subsequently IUU listed)
- Taiwan – request for investigation of operator/owner based on crew claims that Taiwan was homeport. Ownership allegedly transferred to a Filipino
- INTERPOL Flash Notice via National Central Bureau Washington requesting information on FFV from Atlantic partners

Ownership transferred 8 times, over 13 years, to nationals of Chinese Taipei (5), Philippines (1) and Belgium (1)

Vessel is believed to remain active at-sea, operating dark (no AIS transmissions)

# Mario 11 (IMO:8529533)

## Overview

20 May, 2020

- The U.S. Coast Guard sighted the FFV Mario 11 on the high seas, 343 nm north of the British Virgin Islands, within the ICCAT Convention Area
  - Radio communications with FFV obtained no pertinent information, due to language issues
  - Crew member held up and displayed a tuna
  - Observed approx. 250 shark fins strung about the FFV decks
    - ICCAT allows finning of sharks, but bodies must be retained onboard. (5% fin to body ratio and requirement to utilize all parts)
  - Senegal Flagged and on the ICCAT Authorized Vessel List

# Mario 11 (IMO:8529533 )

- NOAA examination of photographs suggests that protected species of sharks may have been harvested
- U.S. notification to Senegal recommending inspection to determine compliance with ICCAT measures pertaining to the harvest of sharks
  - Senegalese response: fishing authorization for FFV Mario 11 was withdrawn and FFV has been in process of deregistration since Jan 2020
  - Senegal subsequently removed FFV from the ICCAT authorized vessel list, but no further actions taken against FFV to our knowledge
- September 2020 – NOAA proposed Mario 11 for IUU listing with ICCAT (subsequently adopted on final IUU Vessel List)

# Analysis into FFV Operations

Norwegian based NGO, Trygg Mat Tracking, provided an initial analysis on where operations are relocating to and changes in ownership structures with the fleet that is operating in the Atlantic.

## Initial results:

- Persuasive hypothesis is that authorized longline fishing vessels had been reconfigured from harvest vessels to mini-reefers and are suspected of conducting unauthorized and unreported at-sea transshipments with donor harvesting vessels
- Evidence
  - Frequency of port calls (uneconomical for longline fishing vessels)
  - Vessel configuration changes to include booms, additional cold storage, etc..
  - Presence of yokohama fenders onboard
  - Lack of visible fishing gear onboard
  - Evaluation of AIS positional data – demonstrate transit from port to locations in which fishing fleets are operating, coming alongside other vessels at slow speeds for durations consistent with transshipment, and then return to port and landing catch, declaring itself to be the harvest vessel. AIS does not show any activity consistent with longline fishing behavior.





# FFV 1 Example (suspected ship to ship laundering operation)

FFV names withheld due to ongoing investigation

- 22 Mar 2020 - AIS indicated FFV entered high seas area between U.S. and Bermuda and loitered for approx. 24 hours before AIS transmissions stopped
- 28 Mar 2020 – USCG sighted the FFV 119 nm west of U.S. EEZ
  - Its position was approx. 20.49 nm from last known AIS position transmitted on 22 MAR
  - Photographed, tied off to mooring buoys with large multiple fenders with corresponding rub marks along the hull – indicative of ship to ship transfers.
  - Five fresh waters tanks and spools of new, unused nets on deck – indicative of gear onboard carrier vessels for replenishing fishing vessels at sea
- During this same period, AIS positional data for *donor vessel 1* showed the vessel transiting south away from its fishing grounds at a speed of 10 knots towards the FFV. Once reaching the area, AIS indicated *donor vessel 1* traveled in a northerly direction at less than 1 knot for 12 hours, then transited back to its fishing ground. (indicative of ship to ship transfers)
- FFV AIS signals did not resume until vessel was transiting to port and it did not exhibit any behaviors consistent with longline fishing during its transits

## FFV 1 Example (suspected ship to ship laundering operation)

- FFV's AIS data from Sept 2019 to June 2020 demonstrates clear indications of likely encounters with tuna long liners
  - 23 identified events with 17 unique vessels operating under Chinese Taipei (14), PRC (2) and VCT (1) flags
- Photographs of FFV shows deck cranes and booms, indicative of conversion to mini-reefer
- Additionally, intermittent AIS transmissions shows FFV in the vicinity of other fishing vessels that are not authorized to ICCAT to fish within the Convention Area, including the Ocean Star No. 2
- FFV has the same reported ownership as FFV Mario 11

This example highlights the connections between vessels engaged in IUU fishing and the identified scheme of laundering catch through a “mini-reefer”, which then claims to be the harvest vessel on trade documentation accompanying shipments into global markets

# FFV 1 Example (suspected ship to ship laundering operation)

- NOAA communications with the flag State concerning our requests for an investigation of the FFV led to a notable change in behavior of the FFV, specifically discontinued / limited use of AIS
- Following this observation, we noted a company representative, of the reported FFV owner, served on the flag State's ICCAT delegation and shared the same surname of Fisheries Ministry members with whom we communicated
- Flag State claimed the vessel was inspected and is a longline fishing vessel. However, information provided by the Flag State led to more questions than answers
- In December 2020 – the FFV was removed from the ICCAT authorized vessel record due to it being “inoperable”
- There was a notable departure of several other vessels from ICCAT waters and the ICCAT authorized vessel list

# FFV 2 Example

- FFV suspected on engaging in the same laundering scheme through unreported and unauthorized transshipments as a mini-reefer

However, this vessel;

- Dropped its Caribbean flag and obtained a provisional national certificate with an African nation in late 2019, but did not complete registration
- VMS was not active or monitored as the FFV only obtained a provisional registration and never obtained a fishing authorization
- FFV entered a second Caribbean port in June and August 2020, with declared fish onboard
- The owner terminated its application for registration with the African nation in December 2020, due to the FFV becoming “inoperable”

## Analysis

- FFV suspected to have fished illegally throughout 2020 and is currently presumed to operate without any known nationality
- Links to the same beneficial owner as the Ocean Star No 2

# The Scheme(s)

One method may include:

- ✓ Identify a nation with fisheries access, whose laws are friendly to reflagging and gaining access to fish stocks
  - Limited capacity for MCS activities, inefficient or outdated legislation and lack of accession to international agreements (e.g. PSMA) is an advantage
  - Political influence – bringing economic development (jobs, money...) and fish to the country, may result in pressure against fishery authorities to not to interfere with the vessel
- ✓ Engage with prominent business or influential government entity(s)
  - May influence entity by proposing a position on a shell or front company, joint venture or other thing of value (e.g. development project)
  - Local entity may protect FFV from inspection and enforcement activities and/or warn of exposure
- ✓ Establish a local company or representative within the nation, then flag FV and obtain authorization to fish (either in countries waters or RFMO convention area)
- ✓ Beneficial owners coordinate operations with other vessels under its control and networks and receive financial benefits, while remaining hidden through complex arrangements and business set-up
- ✓ If / when exposed, rinse and repeat (dissolve company and reflag vessel with new identity in next country in which access to quotas or stocks can be obtained OR operate FV without nationality, possibly using another “legal” FV converted to a mini-reeder to launder the catch)

# The Scheme

Other methods include:

- ✓ Obtain provisional Flag but do not complete and operate under auspices of the Flag but without any real oversight or control (e.g. FFV 2)
- ✓ Continue operations while undergoing revocation of registration and fishing authorization with documents onboard that appear valid, particularly when RFMO Vessel Records are not updated in a timely manner (e.g. Mario 11)
- ✓ Operate as a Stateless vessel using documents that appear valid after canceling FV registration
- ✓ Engage in registry fraud (fly a flag that the FV is not registered to) and operate with fraudulent documents that may appear valid (e.g. Ocean Star No 2)

# Exposing the Networks and Beneficial Owners

- The flagging of FVs under shell companies, front companies or through joint ventures and laundering catch through unauthorized transshipment allows beneficial owners to exceed their nations RFMO quotas and profit from quota assigned to developing nations, often at a loss to that nation's economy
- Laundering catch through unreported transshipment allows unreported harvests by unauthorized vessels that may not be monitored or controlled and are likely to engage in other offenses (registry abuse, shark finning, take of protected species, labor offenses, customs fraud, etc...)
- Distant water fleets require significant coordination, logistics and support. Distant water FVs usually operate in tandem with “sister” or network vessels, particularly when involving at-sea transshipments
- Harvested fish needs to move quickly and efficiently from harvest vessels into market streams to keep FFV's active and profiting
- These operations are generally well coordinated among a small network of individuals, who benefit from these activities.

# Targeting Networks, not vessels

## Why conduct research on a single vessel?

- Apparent rarity not necessarily an indication of a lack of IUU activity in a region/area - for IUU operators, quiet low key operations are a win
- A single vessel is unlikely to constitute all involved parties
- Exploration of activities around an individual vessels may be a means to enhance the visibility of networks/patterns of activity connected to the vessel

In the case of the Ocean Star 2, this enhancement may be seen in the the IOTC record



# Ocean Star No 2 (IMO: 8665193)

From the IOTC record

| IOTC_no    | Year_Active | Name_Ship    | Flag    | Call_Sign | Type_Ship  | Type_Gear         | LOA  | GT | Name_Owner                | Address_Owner                                 |
|------------|-------------|--------------|---------|-----------|------------|-------------------|------|----|---------------------------|---|
| IOTC008352 | 2010        | MARIO NO.3   | Vanuatu | YJSP5     | Longliners | Drifting longline | 23.8 | 93 | Ocean Empire Trading Inc  | P.O. Box 1640, Port Vila Vanuatu              |
| IOTC008353 | 2010        | MARIO NO.6   | Vanuatu | YJSP6     | Longliners | Drifting longline | 23.8 | 93 | Ocean Empire Trading Inc  | P.O. Box 1640, Port Vila Vanuatu              |
| IOTC008354 | 2010        | MARIO NO.7   | Vanuatu | YJSP9     | Longliners | Drifting longline | 23.8 | 93 | Ocean Empire Trading Inc  | P.O. Box 1640, Port Vila Vanuatu              |
| IOTC008355 | 2010        | MARIO NO.11  | Vanuatu | YJSQ2     | Longliners | Drifting longline | 23.8 | 93 | Ocean Empire Trading Inc  | P.O. Box 1640, Port Vila Vanuatu              |
| IOTC008352 | 2009        | MARIO NO.3   | Vanuatu | YJSP5     | Longliners | Drifting longline | 23.8 | 93 | Ocean Empire Trading Inc  | P.O. Box 1640, Port Vila Vanuatu              |
| IOTC008353 | 2009        | MARIO NO.6   | Vanuatu | YJSP6     | Longliners | Drifting longline | 23.8 | 93 | Ocean Empire Trading Inc  | P.O. Box 1640, Port Vila Vanuatu              |
| IOTC008354 | 2009        | MARIO NO.7   | Vanuatu | YJSP9     | Longliners | Drifting longline | 23.8 | 93 | Ocean Empire Trading Inc  | P.O. Box 1640, Port Vila Vanuatu              |
| IOTC008355 | 2009        | MARIO NO.11  | Vanuatu | YJSQ2     | Longliners | Drifting longline | 23.8 | 93 | Ocean Empire Trading Inc  | P.O. Box 1640, Port Vila Vanuatu              |
| IOTC013985 | 2012        | OCEAN STAR 1 | Vanuatu | YJRK4     | Longliners | Drifting longline | 23.5 | 96 | Ming Shun Fishery Co. Ltd | P.O. Box 1640, Port Vila, Republic of Vanuatu |
| IOTC013986 | 2012        | OCEAN STAR 2 | Vanuatu | YJRU6     | Longliners | Drifting longline | 23.5 | 96 | Ming Shun Fishery Co. Ltd | P.O. Box 1640, Port Vila, Republic of Vanuatu |

Connection of IUU linked vessels to P.O. Box 1640 address via IOTC listing and collective movement of vessels to new locations (IOTC to ICCAT) and flag.

# Identifying Ultimate Beneficial Ownership and Control

The broader fleet shows common linkages through complex company structures in multiple jurisdictions. Indications that ultimate beneficial ownership of most identified vessels points to Taiwan.

Potential links to entities associated with the identified FFV's of interest, include:

- ✓ Asia
- ✓ Southeast Asia
- ✓ Oceania
- ✓ Caribbean
- ✓ Africa
- ✓ European Union
- ✓ **North America and other markets** concerning harvested catch with suspected fraudulent catch documentation as to declaring the real identity of the harvest vessel.

Networks can be identified through the shared use of addresses and contact numbers for corporations, the parallel movement of multiple vessels to the same new companies and flags, etc...; indicating that many vessels may ultimately be controlled by small groups of individuals.

# Counter IUU Strategy

**Initial action and MCS efforts** for counter IUU fishing and seafood fraud can be represented by the acronym: DIAL IN AID.

## **Phase 1: Identify and document IUU fishing activity**

**Detect** – Vessels on the ocean that are engaged in fishing or support operations

**Identify** – The vessel; its name, flag, and unique identification numbers, including electronic signatures (e.g. AIS and VMS identifiers). Obtain photographs of each side of the vessel and from the air in support of efforts to identify that this is the legitimate vessel under those identifiers (vs. cloned vessels) and any previous identities of the vessel (e.g. IUU listed vessels operating under a new identity).

**Activity** – Identify and document what activity the vessel is engaged in: does it constitute fishing, transshipment or support operations and are those operations counter to its authorization.

**Location** – Identify the geographical coordinates and coastal state or regional fishery body with jurisdiction or management authority over this location.

# Counter IUU Strategy

## ***Phase 2: Internal Review to Determine Nexus and Obligations***

Inform - Make proper notifications with internal agencies, foreign partners or flag States and with Regional Fishery Bodies, as necessary or required (e.g. notifications of sightings or at-sea inspections under high seas boarding and inspection procedures)

NOAA (or internal) Review - Conduct internal review of the vessels' association and nexus, to include: history of port visits, PSMA inspections, seafood imports, at-sea inspections / sightings and/or activities related to the harvest of shared fishery stocks.

# Counter IUU Strategy

## ***Phase 3: International Engagement for Effective Enforcement Activities***

**Apprehension** - Interception and boarding of the vessel by an enforcement entity. This will typically require engagement with the flag State, a coastal State or in certain Regional Fishery Body (RFB) convention areas, the enforcement asset of a Cooperating Party Member of that RFB who can board the vessel without flag State permission under established High Seas Boarding and Inspection (HSBI) measures, where applicable. This could also include exertion of jurisdiction (in certain situations) or is determined to be without nationality (stateless)

**Investigation** - Active collection of evidence and information to support enforcement action against the vessel and its controlling entities for alleged IUU fishing activities. This is conducted by a nation(s) with authority over the vessel, related nationals, and other entities.

**Detention** - Actions taken by the flag State or other entity with jurisdiction over the vessel (coastal State) to cease the vessels ongoing activities and detain the vessel for prosecutorial action.

*Currently, most MCS efforts stop here and many do not reach this level of resolution as observed by the history of many vessels on RFMO IUU lists*

# The Second Investigation

A second investigation requires a deeper examination of the vessel's activities, its relationships with associate vessels and the entities or networks that are directing its activities

The replacement of a vessel is calculated into the cost of doing business, therefore the exposure or apprehension of a vessel is simply a disruption

To have impactful actions; we cannot focus on the tool of the offense (e.g IUU listing of a vessel or even seizure of vessel) but must target those who are committing the contraventions of law and international measures

However, true ownership and operations of such vessels are generally hidden through a long chain of actors that may span multiple continents and/or include layers of shell / front companies across the globe, requiring significant international cooperation

This second investigation can be described by the acronym NOBEL, which targets the following:

# The Second Investigation

**Networks** High seas and distant water fishing requires extensive coordination and support. Such vessels usually do not fish alone, but travel in pairs or groups, receive supplies, conduct crew exchanges and transshipment of catch with support vessels. Networks may include vessels, business affiliations and individuals

**Operators** The entities directing day to day operations, including: officers onboard the vessels, management companies, shell / front companies and joint ventures that handle the daily business of the vessel

**Beneficial Owners** These individuals are the true owners of the vessels and ultimately direct their operations. They are profiting from the activities and funding the operations

**Enablers** Individuals that support or enable the operations and ongoing IUU activities of the vessel. This may include government officials or their family members acting under conflicts of interest (e.g. serve on shell corporations listed as the vessel owner) political influence to protect vessels from enforcement action due to geopolitical issues or in return for infrastructure projects, breach of duty and corruption with fishery management authorities and business affiliations that knowingly support the vessel and its activities.

**Liaison's** Individuals or business affiliations which are not directly involved with, and may not be knowledgeable of the IUU activities, but offer necessary support services for vessel operations (e.g. insurance, port agents, marketing services, seafood buyers...)

# Resolutions

These activities can be described by the acronym PIE.

**Prosecution** May involve violations committed in one or numerous national jurisdictions, including contraventions of Regional Fishery Bodies. Prosecutions need to be pursued in all applicable jurisdictions. This can be facilitated through INTERPOL led Regional Investigative and Analytical Case Meetings.

**Interdiction** Of seafood shipments entering global markets, which originate from identified IUU fishing activities, as well as, inspection and action against any associated vessels that may call into a nations port or coastal waters

**Evidence Disposal** This can be broadly defined to include seizure and forfeiture of IUU harvested or mislabeled fish or the denial of fish or fish products into markets, as well as seizure, forfeiture, destruction, sale or other disposition of identified fishing and support vessels.



# Addressing Challenges

Where interference is encountered or applicable nations fail to meet international responsibilities by ensuring adequate oversight and control of their flagged vessels, ports or nationals; and such responsibilities and obligations cannot be obtained or guaranteed, the most effective resolution is to achieve the highest level possible of the following:

- Detect** IUU fishing activities by vessels and fleets
- Identify** Vessels, their operators, owners and other entities involved
- Expose** Activities in contravention of national laws or RFB compliance measures and the business arrangements or setup allowing such vessels to operate. This is conducted through forums, including RFB's, INTERPOL, IMCS Network, RPOA's and WEN's.
- Disrupt** Operations by increasing the costs of business through exposure and pressure on nations where such IUU activities occur. This includes de-registration, revoking fishing authorizations, increased port measures / inspections... creating a need for the vessel operator/owner to find alternative ports to utilize, markets to sell to, replacement vessels and or crew
- Dismantle** Networks behind the vessel by exposing shell companies, fishery management failures, agreements to allow foreign vessels and companies to flag vessels and/or operate under flags of non-compliance or easily offload products without inspection at ports lacking adequate inspection.
- Trade Prohibitions** Identify and engage enforcement mechanisms of applicable trade agreements and national law to fully utilize all avenues that may implement trade restrictions on nations whose vessels or nationals are engaged in unrestrained IUU fishing and seafood fraud, as well as against coastal nations failing to meet international obligations.
- Prosecute** Identify and engage nations with jurisdiction to prosecute the vessel, its operators and owners and support such efforts bilaterally and/or through International Fora, such as INTERPOL RIACMs and participation in deployment of Integrated Support Teams.

# Key Points

- Networks can only be taken down by other networks: we must work together in unity to combat IUU fishing
- IUU vessels are not the biggest threat
  - Capturing vessels simply buys time, while they are quickly replaced along with crew and operators
- It's the people organizing IUU activities, support, transshipment and trade of IUU harvested fish
  - For full impact, MCS efforts and investigations must target beneficial owners and the networks behind IUU vessels

This requires strong will and determined commitment with substantial international collaboration and engagement.

# Questions?

Details of the ongoing investigation of vessels and networks will be addressed through INTERPOL  
We encourage all countries to engage in INTERPOL Operation Ikatere and the Fisheries Crime Working Group

I would also like to thank the Canada Department of Fisheries and Oceans for their substantial collaboration and partnership in exposing these schemes and networks

Further inquires or comments concerning this paper may be sent to  
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