PIRATE FISHING ELIMINATION ACT

REPORT

OF THE

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ON

S. 267

JANUARY 8, 2014.—Ordered to be printed
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Mr. ROCKEFELLER, from the Committee on Commerce, Science, and Transportation, submitted the following

R E P O R T

[To accompany S. 267]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 267) to prevent, deter, and eliminate illegal, unreported, and unregulated fishing through port State measures, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of S. 267, the Pirate Fishing Elimination Act, is to make the changes to domestic law necessary for the United States to implement the Agreement on Port State Measures to Prevent, Deter, and Eliminate Illegal, Unreported, and Unregulated Fishing.

BACKGROUND AND NEEDS

Many fish stocks around the world have become depleted in the last several decades as a result of fleet overcapacity, overfishing, and ineffective fisheries law enforcement regimes. Coastal fishing nations are responsible for managing the fish stocks that fall within their domestic waters, which extend 200 nautical miles from their coastline, also known as their exclusive economic zone (EEZ). Unfortunately, many coastal nations do not manage fish stocks sustainably, enforce their fishery conservation and management measures effectively, or coordinate management of shared fish stocks with other fishing nations.

The Magnuson-Stevens Fishery Conservation and Management Act (MSA), enacted in 1976 as the Fishery Conservation and Management Act of 1976, provides the primary architecture for the con-
servation and management of fisheries in U.S. Federal waters.\(^1\)

Under the MSA, the U.S. Government exercises sovereign rights and exclusive management authority over fish and Continental Shelf fishery resources within the United States EEZ. The MSA vests the Secretary of Commerce (Secretary) with overall authority for the management of these resources. The Secretary generally carries out these responsibilities through the National Oceanic and Atmospheric Administration’s National Marine Fisheries Service (NMFS). The MSA calls for Regional Fishery Management Councils established by the Act (and the Secretary in certain cases) to develop fishery management plans, subject to the Secretary’s approval, that follow the Act’s requirements, including rebuilding overfished stocks and setting sustainable harvest levels using catch limits based on the best available science. The requirements of the MSA and the fishery management plans promulgated thereunder are enforced by the Secretary and the Secretary of the department in which the Coast Guard is operating.

Coordinated management of fish stocks harvested on the high seas (i.e., waters beyond the jurisdiction of any nation) is accomplished by nations participating in Regional Fisheries Management Organizations (RFMOs) or through international agreements created to guide and coordinate the fishery management activities of multiple nations that target common stocks in specific regions. Each nation that chooses to participate in an RFMO or an international fishery agreement retains its sovereignty, yet is expected to develop domestic fisheries laws and regulations consistent with each agreement. The United States follows this practice and seeks to enact implementing legislation and promulgate regulations where necessary in order to meet its commitments in RFMOs and under international fisheries agreements. Short of such an agreement or implementing legislation, U.S. fisheries managers seek discussions with foreign counterparts to address concerns on interjurisdictional stock management.

U.S. international fishery enforcement activities are conducted by the Coast Guard and NMFS under a longstanding interagency agreement. The Coast Guard, whose eleven statutory missions include fisheries law enforcement\(^2\), is responsible for conducting international (as well as domestic) fishery patrols and all other at-sea enforcement, while NMFS is responsible for dockside and landside enforcement. The Coast Guard conducts its international enforcement operations in close coordination with the State Department, as required by Presidential Directive 27.\(^3\) NMFS and the Coast Guard also provide input to the State Department for the negotiation of international fishery agreements and the review and approval of foreign fishing vessel permit applications.

**Foreign Illegal, Unreported, and Unregulated (IUU) Fishing**

The term “IUU fishing” describes a range of fishing activities, including: the failure to report, or the misreporting of, catches; fish-

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3. See generally Presidential Directive 27, Jan. 19, 1978 (establishing uniform procedures within the United States Government for dealing with non-military incidents which could have an adverse impact upon the conduct of U.S. foreign relations).
ing without the permission of a coastal country; the reflagging of vessels to countries that are unable or unwilling to adequately control their fishing activity; and noncompliance with fishing gear and area rules. The extent to which IUU fishing occurs is not fully known, but some have estimated that it accounts for as much as a fourth of the world’s fish catch and, as such, represents one of the greatest challenges to sustainable global fishery conservation and management. It has been estimated in recent years that worldwide IUU fish harvests are worth between $10 billion and $23.5 billion annually, and represent between 11 million and 26 million tons. Annual IUU harvests at these levels likely create significant ecological impacts.

Worldwide, the amount of IUU fishing appears to be increasing as IUU fishermen attempt to avoid stricter fishing rules created to address declining fish stocks. Preventing IUU fishing on the high seas is difficult due to the vast areas of ocean to monitor, enforcement resource limitations, and a high volume of operating fishing vessels. Current international efforts to eliminate IUU fishing are mainly led through the United Nations (U.N.) Food and Agriculture Organization (FAO), and are primarily focused on persuading individual nations to better control and manage their fishing fleets. RFMOs generally strive to follow guidelines established by the U.N. to combat IUU fishing. The U.N. also plays an important role in addressing labor abuses on fishing vessels.

IUU Challenges for Developing Countries

In an effort to generate revenue, the governments of many developing coastal countries have negotiated agreements that allow developed countries, including European countries, China, and Russia, to harvest their fishery resources. In many instances, officials from developing countries have oversold fishing rights, thereby increasing potential total catches of their fish stocks well beyond sustainable levels. Fishing under these circumstances inevitably leads to overexploitation of fishery resources, and this problem is exacerbated by the fact that many developing coastal countries lack the capacity to conduct fish stock assessments, define sustainable harvest levels, and monitor compliance with and enforce fishery conservation and management measures. Taken together, these factors can result in rapid declines in abundance of local fish stocks which, in turn, threaten the livelihoods of local fishermen. Such circumstances have also led to illegal trafficking, exploitation, and physical abuse of what are often migrant workers on fishing vessels operating in the waters of developing nations.

In some cases, these circumstances have even caused fishermen to turn to piracy. A prime example is the coastal country of Somalia. It has been widely reported that there are direct connections between the significant increases in piratical activity off the Horn of Africa in the past decade and reduced fishing opportunities among Somali fishermen during the same time period. The in-

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5 See, e.g., Jeffrey Gettleman, Pirates Tell Their Side: They Want Only Money, N.Y. TIMES, Oct. 1, 2008, at A6; Paul Salopek, Somali Pirates Say It’s All about Payback. Exact Tax for Years of Fish Poaching, They Say Waters Became Dumping Ground, SEATTLE TIMES, Oct. 15, 2008, at A9; Todd Pitman, Somali Pirates a Far Cry from Buccaneers of Old, ASSOCIATED

Continued
increased pirate attacks seem to have originated as a response to foreign IUU fishing and dumping of toxic waste in Somali waters, both of which had a negative impact on fishing for Somali fishermen, and subsequently expanded into a ransom-driven, hostage-taking enterprise. More recently, it has been reported that the relationship between Somali piracy and IUU fishing has come full circle. In July 2013, the U.N. Security Council published a special report on Somalia which indicates that Somali pirates are now turning from hijacking ships to providing “private security” for vessels illegally fishing in Somali waters.6 Specifically, the report states that in northern Somalia a number of these individuals are reverting to prior, familiar patterns of illicit behavior, including armed protection of fishing activities and illegal fishing, arms trafficking, human trafficking, and transshipment of narcotics.7 The U.N. report also notes that illegal fishing has been reported to facilitate other forms of contraband, including weapons smuggling.8 The situation in Somalia makes clear that foreign IUU fishing has broader implications beyond international fishery conservation and management.

In recent years, marine policy experts have recommended a number of measures to combat IUU fishing, particularly along the coasts of developing countries. These recommendations have included ending the system of flags of convenience, improving port inspections and strengthening port state controls, and reducing the fishing pressure caused by large fishing fleets from industrialized nations. These measures require resources, including funding, staff, technology, and expertise, that remain largely unavailable in many developing countries. Many foreign aid organizations, such as the World Bank, attempt to direct foreign financial and technical assistance to improve the sustainability of coastal nations’ fisheries, but the United States has undertaken only limited efforts to assist developing countries in targeting IUU fishing.

The Magnuson-Stevens Fishery Conservation and Management Reauthorization Act of 2006 (MSRA), Pub. L. 109–479, 120 Stat. 3575 (2006), which was passed by the 109th Congress and signed into law in January 2007, made significant improvements in the area of international fisheries conservation. The overarching theme of these improvements was the enhancement and expansion of the authority of the Secretary to work through various multilateral organizations, such as RFMOs, to address IUU fishing and bycatch of protected living marine resources (PLMR).

Specifically, title IV of the MSRA amended the High Seas Driftnet Fishing Moratorium Protection Act (Moratorium Protection Act), 16 U.S.C. §§ 1826d-1826k (2012), to require the Secretary to produce a biennial report to Congress which includes: the state of knowledge on the status of international living marine resources that are shared by the United States or are subject to a treaty or
agreement to which the United States is a party, including a list of all fish stocks classified as overfished, overexploited, depleted, endangered, or threatened with extinction by international or other authorities charged with management or conservation of living marine resources; a list of nations the United States has identified as having vessels engaged in IUU fishing, bycatch of PLMR, or both; a description of efforts taken by listed nations to take appropriate corrective action; progress in strengthening the efforts of international fishery management organizations to end IUU fishing; and the steps taken by the Secretary at the international level to adopt measures comparable to those of the United States to reduce the impacts of fishing and other practices on PLMR.

The MSRA also amended the Moratorium Protection Act to, among other things: require the Secretary to pursue specific improvements to strengthen international fishery management organizations through the adoption of IUU vessel lists, stronger port State controls, and market-related measures; require the Secretary to promote improved monitoring and surveillance of international fisheries; authorize the Secretary to promulgate implementing rules relating to certification for listed nations; and provide authority to prohibit the importation into the United States of fish and fish products from listed nations that fail to address deficiencies in preventing IUU fishing and PLMR bycatch.

**The Agreement on Port State Measures**

Internationally, the United States has actively worked to strengthen existing RFMOs through renegotiation of their underlying agreements or the negotiation of new protocols. With substantial U.S. involvement, international fishery management organizations have adopted and shared IUU vessel lists; used observers and technologies to monitor compliance; promoted and used centralized vessel monitoring systems (VMS); established trade tracking and documentation schemes; prevented trade in or importation of IUU-caught fish or other living marine resources; and protected vulnerable marine ecosystems. Additionally, at the thirty-sixth session of the U.N. Conference of the FAO in 2009, 92 participating nations, including the United States, took a significant step towards curtailing IUU fishing by adopting the Agreement on Port State Measures to Prevent, Deter, and Eliminate Illegal, Unreported, and Unregulated Fishing (Agreement on Port State Measures or Agreement). The Agreement, of which the United States was a primary negotiator and one of its first signatories, is the first global instrument focused specifically on combating IUU fishing. It sets forth minimum standards for the conduct of dockside inspections and training of inspectors and, most significantly, would require parties to restrict port entry and port services to foreign vessels known or suspected of having been involved in IUU fishing, particularly those on the IUU vessel list maintained by an RFMO. Since all fish must be brought to port to enter into trade, closing ports to illegal product is an effective way to prevent, deter, and eliminate IUU fishing. The Agreement would also require information sharing, including the sharing of inspection results, with Parties and other relevant actors to the Agreement when evidence of IUU fishing is found during the course of an inspection.
On November 14, 2011, President Obama transmitted the text of the Agreement to the Senate for advice and consent, where it is currently pending before the Senate Committee on Foreign Relations. Broad ratification and implementation of the Agreement was called for at the United Nations General Assembly in December 2010 (Res. 65/38), at the twenty-ninth meeting of the FAO’s Committee on Fisheries in February 2012, and at the Joint Meeting of the Tuna RFMOs in La Jolla, CA in July 2012.

SUMMARY OF PROVISIONS

The Pirate Fishing Elimination Act, S. 267, would make the changes to domestic law necessary for the United States to implement the Agreement on Port State Measures to Prevent, Deter, and Eliminate Illegal, Unreported, and Unregulated Fishing. The Secretary would have primary responsibility for promulgating regulations and developing procedures necessary to carry out the purposes and requirements of the Act, with the Coast Guard and NOAA’s National Marine Fisheries Service serving as primary enforcement authorities for the requirements of the Act and regulations promulgated thereunder. The Act would authorize the Secretary, in consultation with the Secretary of the department in which the Coast Guard is operating, to: (1) designate ports to which foreign-flagged fishing or fishing-related vessels may seek entry, and establish uniform information-gathering and review processes for granting or denying port entry and use of port services to such vessels; (2) conduct inspections of such vessels suspected of IUU fishing or related activities; (3) deny port entry or port services to such vessels that have been engaged in IUU fishing; and (4) provide notice, acting through the Secretary of State, to relevant flag states, coastal nations, RFMOs, and other nations and international organizations regarding a vessel that is believed to have engaged in IUU fishing or related activities or has been denied port entry or port services.

LEGISLATIVE HISTORY

Senator Rockefeller introduced S. 267, the Pirate Fishing Elimination Act, on February 11, 2013. S. 267 is cosponsored by Senators Begich, Blumenthal, Cantwell, Hirono, Merkley, Murkowski, Nelson, Schatz, Whitehouse, and Wyden. Similar legislation, S. 1980, was introduced by Senator Inouye during the 112th Congress and referred to the Committee on Commerce, Science, and Transportation. On July 30, 2013, the Committee met in open executive session and, by a voice vote, ordered S. 267 reported favorably without amendment.

ESTIMATED COSTS

In accordance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office:

S. 267—Pirate Fishing Elimination Act

S. 267 would authorize the National Oceanic and Atmospheric Administration (NOAA) to implement an international agreement
to reduce illegal, unreported, and unregulated (IUU) fishing. Under the bill, NOAA would be required to identify ports that can be used by foreign vessels, coordinate inspections of those vessels with the U.S. Coast Guard (USCG), deny port entry to vessels that have engaged in IUU fishing, and share information with foreign governments and other entities regarding the results of inspections and any actions taken if IUU fishing is discovered. S. 267 also would establish civil and criminal penalties for entities that violate provisions in the bill.

Based on information provided by NOAA and the USCG, CBO estimates that implementing the legislation would have no significant impact on the federal budget. Implementing S. 267 would not significantly affect the workload of NOAA and the USCG because those agencies already carry out the activities required under the bill. Enacting the legislation could increase revenues (from civil and criminal penalties) and associated direct spending; therefore, pay-as-you-go procedures apply. However, CBO estimates that such increases would be small and would offset each other in most years.

CBO has not reviewed S. 267 for intergovernmental and private-sector mandates because section 4 of the Unfunded Mandates Reform Act excludes from the application of that act any legislative provisions that are necessary for the ratification or implementation of international treaty obligations. CBO has determined that the bill falls within that exclusion.

The CBO staff contacts for this estimate are Jeff LaFave and Sarah Puro. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

REGULATORY IMPACT STATEMENT

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee provides the following evaluation of the regulatory impact of the legislation, as reported:

NUMBER OF PERSONS COVERED

S. 267 would make refinements to NOAA and the Coast Guard’s existing statutory authorities to better enable them to limit and regulate access to U.S. ports and port services in order to curtail IUU fishing activity. It would authorize the Secretary to designate ports to which foreign vessels involved in fishing or fishing-related activity may request entry, and to require such vessels to provide advance notice for such requests. It would generally require the Secretary and the Secretary of the department in which the Coast Guard is operating to deny port entry to those vessels known to have engaged in or supported IUU fishing, as well as to prohibit vessels already in U.S. ports from landing, transshipping, packaging, or processing fish where there is evidence they have engaged in or supported IUU fishing.

The provisions of the bill would generally apply with respect to foreign vessels seeking entry to or in a port subject to the jurisdiction of the United States, vessels of the United States seeking entry to or in a port subject to the jurisdiction of another party to the Agreement, and persons who are subject to the jurisdiction of the United States.
ECONOMIC IMPACT

The legislation is not expected to have a negative impact on the Nation’s economy. IUU-caught fish significantly undercut the value of legally, sustainably caught fish in the United States and elsewhere around the world. Because S. 267 would substantially curtail the entry of IUU-caught fish into the stream of commerce in the United States, it is expected to have a positive impact on the domestic fishing and seafood industries.

PRIVACY

The reported bill would not have any adverse impact on the personal privacy of individuals.

PAPERWORK

S. 267 would require a vessel covered by the Act to submit to the Coast Guard Captain of the Port certain basic information about the vessel when it is requesting port entry. However, much of the information (such as a vessel’s name, type, flag state, dimensions, destination, estimated date and time of arrival, IMO ship identification number, international radio call sign) is already reported and available to the Coast Guard via automated information system transmissions, the Coast Guard’s Marine Information Safety and Law Enforcement System, and other sources. Because the bill would require that the procedure for submitting vessel information utilize existing Coast Guard reporting mechanisms to the maximum extent possible, S. 267 is not expected to impose any new paperwork requirements on private citizens or businesses.

CONGRESSIONALLY DIRECTED SPENDING

In compliance with paragraph 4(b) of rule XLIV of the Standing Rules of the Senate, the Committee provides that no provisions contained in the bill, as reported, meet the definition of congressionally directed spending items under the rule.

SECTION-BY-SECTION ANALYSIS

Section 1. Short Title; Table of Contents.

This section would provide that this Act may be cited as the “Pirate Fishing Elimination Act,” and would set forth a table of contents for the Act.

Section 2. Purpose.

This section provides that the purpose of the Act is to implement the Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing, done at the Food and Agriculture Organization of the United Nations in Rome, Italy, on November 22, 2009.

Section 3. Definitions.

This section would define the following terms: “Agreement,” “authorized officer,” “conservation and management measures,” “container vessel,” “FAO,” “fish,” “fishing,” “fishing-related activity,” “foreign vessel,” “illegal, unreported, and unregulated fishing” or “IUU fishing,” “landing,” “listed IUU vessel,” “Party,” “person,”
“port,” “previously landed,” “processing,” “regional fisheries management organization” or “RFMO,” “Secretary,” “State,” “transshipment,” “vessel,” and “vessel of the United States.”

Section 4. Application.

This section would delineate the vessels and persons to which this Act would apply, including foreign vessels seeking entry to a port subject to the jurisdiction of the United States, U.S. vessels seeking entry to a port subject to the jurisdiction of another Party to the Agreement, and each person subject to the jurisdiction of the United States. The Act would not apply to a container vessel that is not carrying fish or to a container vessel with previously landed fish or for which the Secretary of Commerce has no clear grounds to suspect it of having been engaged in IUU fishing or related activities.

Section 5. Duties of the Secretary.

This section would authorize the Secretary of Commerce, in consultation with the Secretary of State and the Secretary of the department in which the Coast Guard is operating, to develop regulations and procedures as may be necessary to carry out the purposes of this Act and to designate and publicly list each port to which a vessel described in section 4 may seek entry. This section would also authorize the Secretary of Commerce to designate a point of contact to the FAO for adhering to the Agreement’s requirements regarding the electronic exchange of information and to cooperate in establishing information-sharing mechanisms relevant to the Agreement. The Secretary of Commerce would also be required to provide information regarding the legal remedies afforded to persons affected by an action under this Act.

Section 6. Advance Notice of Vessel Arrival, Authorization, or Denial of Port Entry.

This section would require covered vessels to submit to the Secretary of the department in which the Coast Guard is operating, information required under the Agreement in advance of the vessel’s arrival to a port. It would direct the Secretary of Commerce, coordinating with the Secretary of the department in which the Coast Guard is operating and the Secretary of State, to develop a procedure for such vessels to submit this information, ideally through existing reporting mechanisms, and to authorize or deny port entry. The Secretary of Commerce would be authorized to deny entry to any listed IUU vessel or any vessel that the Secretary has reasonable grounds to believe that has engaged in IUU fishing or IUU-related activities or has violated this Act. Such vessels would be provided notice of the denial of port entry, as would relevant coastal nations, RFMOs, and other international organizations. Port entry may be permissible to such vessels if they are under duress and require assistance, for scrapping purposes, or for inspection or other enforcement.

Section 7. Denial of Port Services.

This section would authorize the Secretary of Commerce to deny covered vessels that have been authorized to enter port under section 6 use of port services (i.e., landing, transshipment, packaging
and processing of fish, refueling, resupplying maintenance, and drydocking) if: (1) the vessel previously entered port without section 6 authorization; (2) is a listed IUU vessel; or (3) is under reasonable suspicion by the Secretary of Commerce of lacking authorization to fish, having taken fish on board in violation of foreign law or any conservation and management measures, or engaging in IUU fishing or IUU related activities. Port services could be authorized for such vessels if these services are essential to the safety of the vessel or health of its crew, for scrapping purposes, or for inspection or other enforcement. Should the Secretary of Commerce determine denial of port services was based on inadequate, erroneous, or non-applicable grounds, the Secretary would be required to notify the vessel and withdraw the denial.

Section 8. Inspections.

This section would require the Secretary of Commerce and the Secretary of the department in which the Coast Guard is operating to conduct vessel inspections for the purposes of the Agreement and this Act. The Secretary would be required to prioritize these inspections based on whether the vessel has been denied entry or use of the port in accordance with the Agreement; a request from another relevant Party, State or RFMO that a certain vessel be inspected; and whether there are clear grounds to suspect the vessel of being engaged in IUU fishing or related activities. Under this section, the Secretary of Commerce would be required to transmit the results of an inspection to the flag nation of the inspected vessel, and, as appropriate, each relevant Party, nation, RFMO, international organization, and the FAO. Should the inspection provide reasonable grounds to believe that the vessel has engaged in IUU fishing or related activities, the Secretary would be authorized to take enforcement actions under this Act or other applicable law and deny the vessel the use of port services.


This section would make it unlawful for any person to impede or refuse to permit boarding to an authorized officer conducting investigation or enforcement activities; resist lawful arrest; interfere with the detection of a person violating this Act; submit false information; forcibly assault, resist, harass, or bribe authorized observers or data collectors; import, export, transport, sell, receive, acquire, or purchase in interstate or foreign commerce any fish or fish product taken, possessed, transported, or sold in violation of any foreign law or treaty addressing the conservation or management of living marine resources, or any conservation and management measures; falsify records or identifications of fish; or carry out other acts prohibited by this Act.

Section 10. Enforcement.

This section would require the Secretary of Commerce and the Secretary of the department in which the Coast Guard is operating to enforce the provisions of this Act and to authorize officers to conduct the enforcement activities of this Act. Authorized officers would be permitted to make appropriate arrests, searches, inspections, seizures, and detentions of persons, vessels, fish or fish products, or information relevant to the enforcement of this Act.
section also would set forth forfeiture procedures and administrative, civil and criminal penalties that would be associated with the enforcement and violation of this Act.

Section 11. International Cooperation and Assistance.

This section would require the Secretary of Commerce, as appropriate and feasible, to provide assistance to developing nations and international organizations of which such nations are members with meeting their obligations under the Agreement, including through the use of grants and the transfer of funds, subject to the limits of available appropriations, to any relevant foreign government, international, non-governmental, or intergovernmental organization. The Secretary may, by Agreement, utilize the personnel, services, equipment, and facilities of any individual, corporation, partnership, association, or other entity, and any Federal, State, local, or foreign government or any entity of any such government to this end.

Section 12. Relationship to Other Laws.

This section would provide that nothing in this Act would displace any requirements imposed by the customs laws of the United States or any other laws or regulations enforced or administered by the Secretary of Homeland Security; that where more stringent requirements regarding port entry or access to port services exist under other Federal law, the more stringent requirements would apply; and that nothing in this Act would affect a vessel's entry into port, in accordance with international law, for reasons of force majeure or distress.


This section would authorize such sums as are necessary to be appropriated to the Secretary of Commerce to carry out the provisions of this Act for fiscal years 2013–2017.

Changes in Existing Law

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee states that the bill as reported would make no change to existing law.