

# U4 Helpdesk Answer

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## Overview of corruption in the Colombian fisheries and aquaculture sector

Corruption in the fisheries and aquaculture sector has been gaining more attention in recent years. However, the characteristics of fishing, that allows for illegal catch to be transferred from one vessel to another at sea, and particularly the use of both flags and ports of convenience, make it difficult to know through which states the money is flowing. To better identify corruption vulnerabilities, UNDOC has divided the sector's value chain into seven stages: preparation, fishing, landing, processing, sales, transit, and consumer, with different actors and different opportunities for corruption at each stage. Since Colombia's fisheries sector is still small, there has been little research conducted on corruption in the area. Using this value chain approach, an assessment of vulnerable points for corruption in Colombian fisheries and aquaculture is made.

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## Background: corruption in the fisheries sector

Although corruption in the fisheries and aquaculture sector has gained more attention in the past decade, it has drawn significantly on the literature in corruption in other natural resources and common goods. Most of the corruption in the sector is connected with illegal, unreported and unregulated (IUU) fishing, which exploits resources at rates far beyond sustainable levels and endangers certain species.

As such, we can understand corruption in this sector in a similar vein to corruption in natural resource management, which according to Robbins (2000, 425) is defined “as the use or overuse of community (state, village, city, etc.) natural resources with the consent of a state agent by those not legally entitled” to do so. This definition is broad enough to cover a number of activities from grand corruption to petty or small-scale corruption, and to address the fact the IUU fishing can be

### MAIN POINTS

- The characteristics of fishing, which can happen far away from land, allows for Illegal, Unreported and Unregulated (IUU) fishing to take place unsanctioned. The use of flags and ports of convenience further complicates efforts of law enforcement in the sector.
- UNDOC (2019) has developed a value chain approach to identify corruption vulnerabilities at each of the seven stages of the chain: preparation, fishing, landing, processing, sales, transit, and consumer.
- Artisanal fisheries are mostly affected by petty corruption and disproportionately affects poorer households.
- Although there is little information for corruption in the Colombian fisheries and aquaculture sector, the main risks come from IUU fishing and possible links of the sector with narcotraffic.

carried out both by industrial and artisanal fisheries.

IUU fishing involves a number of illicit activities that range from operating in areas where the particular vessels do not have license to operate to the use of forbidden fishing equipment, or exceeding permitted catch quotas (Martini 2013, 2).

The size of IUU fishing is significant, with FAO estimating that around US\$12-23 billion of the US\$132 billion industry comes from IUU (Curbing Corruption 2018, 1). Protected species sell at very high prices, which makes it a lucrative business. IUU is prevalent in Exclusive Economic Zones (which are monitored and regulated by countries), and weak governance structures, poor quality regulations, low enforcement and corruption are all key drivers of IUU (Curbing Corruption 2018, 2). Given that developing countries typically have lower enforcement capacities, they are particularly vulnerable to IUU, as IUU in these settings presents a low-risk, high-reward activity (Martini 2013, 2-3).

Corruption and lack of government oversight have enabled impunity, which is reportedly rampant in the sector (Martini 2013, 3), and a vicious cycle has developed since “corruption provides a way for fishers to sustain illegalities and avoid penalties and imprisonment, and, in turn, illegalities provide opportunities for many stakeholders to gain financially” (Nunan et al 2018, 74). Corruption patterns will vary according to the type of fishery, if it is small-scale or industrial, and also depend on where the fish is caught and produced, for example whether is offshore or inland (Curbing Corruption 2018, 3) and jurisdictions will also vary.

Although information on illicit financial flows is scarce, corruption can facilitate IUU throughout the whole chain of fisheries (Martini 2013, 1) as the detailed fisheries value chain below shows. Since IUU is an illegal activity, it is expected for corruption to facilitate it, since corruption facilitates nearly all types of crime (UNDOC 2019, 5). According to a UNDOC (2019, 2) report on corruption in the fisheries sector, there is no standard way of defining “fisheries crime” but a useful entry point is to understand it as a “crime in

the fisheries value chain”, which includes all criminal and administrative offences that can occur along this chain.

This conceptualisation is useful for two reasons. First, it draws a distinction between fisheries crimes and illegal, unreported and unregulated (IUU) fishing in as far it goes beyond the activities involved in simply catching and landing the fish to encompass a broader array of illegal activities along the value chain, including tax and customs evasion, corruption and money laundering. Second, IUU can vary from country to country, since fishing regulations are, for the most part, still a national prerogative (UNDOC 2019, 2).

There are three key aspects that make fisheries particularly vulnerable to corruption: 1) the global nature of the industry, it entails effects across the world, but lacks central regulation as each coastal state regulates how fishing can take place in its Exclusive Economic Zone; 2) the depletion of fishery resources, which makes actors compete for limited resources; 3) the lack of transparency, that goes from obscurity in the granting of licence agreements to vessels being able to register in countries with lax regulations or poor enforcement (UNDOC 2019, 7).

Furthermore, state-corporate crime, a mutually reinforcing interaction of illegal actions between state and corporate actors, is present in the sector, both at the level of home and host country (Standing 2015, 2). In the host country, where the fishing takes place, state officials can receive bribes for licensing agreements, steal funds coming from license payments, among other illicit behaviours, and companies engage in IUU unbothered (Standing 2015, 11). The home country, where the fishing company is from, may encourage or choose to ignore when their companies engage in IUU in

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other countries (Standing 2015, 2). Home countries usually do not prosecute companies for their crimes in foreign waters, but they also do not aid host countries in their investigations; and they can engage in outright corruption when negotiating access agreements (more on the agreements below) (Standing 2015, 12).

Among the most common corrupt behaviours that the UNDOC (2019, 9-10) describes include:

- seeking the veneer of legitimacy (bribing to obtain licences or for false records of the catch);
- hiding from the authorities (developing structures to keep illegal operations); and
- hospitality and friendship (presenting an inspector with fish from a catch) versus corruption (actual money payments) which can come from the proximity between fishermen and regulators in small communities and blur these lines (UNDOC 2019, 9-10).

Finally, it is worth mentioning that there are operations that operate completely outside the law, engaging in large-scale trawling or illegally harvesting resources (UNDOC 2019, 11).

## Corruption risks across the fisheries value chain

To better understand the different types of corruption that can occur in the fisheries sector, UNDOC divides the sector's value chain into stages, "from catch to plate" (Curbing Corruption 2018, 9) to identify possible areas of vulnerability. The fluid and porous supply chain of fisheries entails risks at different stages and has international dimensions,

not least as the EU and the US are major markets of seafood import (Curbing Corruption 2018, 6). The value chain has seven steps and at each point different actors and authorities will be involved: preparation, fishing, landing, processing, sales, transit and consumer (UNDOC 2019, 16).

A brief outline of the types of corruption that can occur at each stage follows.

### The preparation stage

The preparation stage takes place on land before setting out to sea and includes everything that needs to be ready before then, from acquiring the appropriate license for fishing to registering the vessel and securing the crew (UNDOC 2019, 17). Artisanal/small-scale fishing is often unlicensed, which contributes to problems (Curbing Corruption 2018, 4-5). Corruption and undue influence can take place when granting fishing concessions to foreign fleets. At this stage, bribes can secure licences, acquire fake licences or illicitly secure more access than competitors (Curbing Corruption 2018, 4-5). Vessels can also be registered under flags of convenience (see more on this below) and crews can be hired under exploitative conditions and without working permits or standards (UNDOC 2019, 17-18). Fisheries tend to rely on cheap labour and illegal payments are made to both facilitate human trafficking and to bypass labour regulations (Martini 2013, 5).

Bilateral access agreements, between governments, host governments and private fishing associations, and host governments and inter-governmental organisations like the EU, also take place at this stage, and raise a number of issues (Standing 2008, 10-11). First, both sides want to increase short-term profitability, which can limit the incentives for

controlling fishing vessels or lead to the setting of very high limits to both quotas and time at sea fishing. Although sometimes this can be the result of the poor bargaining position of the host country, often it is the result of other non-market strategies, which can include bribing officials or binding it to donor funds (international aid being tied to licenses and fishing agreements) (Curbing Corruption 2018, 8), all enabled by a lack of transparency in these negotiations (Standing 2008, 11-13; Curbing Corruption 2018, 5).

Finally, conflict of interests can also appear at this point in a number of ways. Foreign companies may partner with local actors who offer political influence to intervene or sway the work of fishing authorities or are directly working themselves in the government (Standing 2015, 11-12). A minister can have shares in a fishing company and then be the one that gives it fishing rights, or “convince” the authority in charge of licensing. If public officials are co-owners of vessels this generates less incentives for them to push for law enforcement in the sector (Standing 2008, 17) and can affect the work of law-abiding enforcement officials, who are less likely to intervene a boat engaging in IUU if they know it belongs to the president (Standing 2015, 12)

## The fishing stage

At the fishing stage catch must be recorded for type and quantity. The opportunity arises for record falsification or to bribe inspectors for fishing without a license (UNDOC 2019, 18-19). The nature of fishing, being conducted far from land and only reachable through vessels, makes it important to have inspectors and observers in the actual ships, to monitor if the fishing is abiding by the regulation and/or international sustainability standards. Not all vessels will have them, and law enforcement

officers can also monitor national waters in official vessels. Observers, both governmental and non-governmental ones, can have very tense relationships with the crew, especially when they are away for long periods of time, and vessel operators can undermine their work, not only through bribes, which are usually tempting due to their low wages, but also with threats and intimidation (Standing 2008, 19). Although crew is picked up on shore, the problems of forced labour (Curbing Corruption 2018, 6) usually arise once at sea. At this stage the non-observance of fishing standards can happen and due to the characteristics of fishing, seafood traceability is hard (Curbing Corruption 2018, 5). Corrupt logistics networks can also take place between this and the next stages (illegally move caught fish across borders) (UNDOC 2019, 12).

## The landing stage

The landing stage is when vessels land at port, although it can happen after processing, as some large vessels are able to process fish on board. Ports should also carry a valid license to operate. Here, the company must report the value and type of catch, and when catch has been sold at sea, the accompanying records for this are generated. At this point market inspectors can be corrupted (officials that monitor vessels’ catch in port) and one should pay attention to corrupt maintenance of over-investment (UNDOC 2019, 12-13). If over the years a company has reduced its declared catch but its operation (fleet, crew, and warehouses among others) remain the same, it should be a red flag of possible illicit activities. Trans-shipping is when ships conduct all their operations, catching, packaging, freezing and selling, without ever touching port, and it can be a way to avoid land controls (UNDOC 2019, 18).

## The processing stage

The processing stage often has two phases, primary (cleaning and filleting) and secondary (manufacture of fish products). As with the previous point, if this is done at sea risks arise (since it is easier to bribe just one official far away from curious eyes). But corruption can happen in the production facilities as well, where officials are bribed to overlook discrepancies, and also between private entities, since if there is unreported catch, unscrupulous actors need to convince, coerce or bribe everyone else along the chain to claim the same amount (UNDOC 2019, 19). Seafood fraud happens in previous stages as well as this one, when a species is labelled as another type, fish is coloured or injected with water for more weight, or other types of short-weighting, when actual fish weighs less than what the label says) (Curbing Corruption 2018, 3-4).

## The sales stage

The sales stage, as mentioned, can take place at sea or in port, but either way catch needs to be inventoried. Catch sold before landing is more obscure and provides more opportunities for crime (through the creation of fraudulent documents and the discard of unwanted fish). Again, corruption regarding falsification of records and paying bribes to inspectors to either look the other way or to certify those fake documents arises. There is a higher risk of illegal activities if the seller and buyer are under one common ownership, through a parent company. Payment methods can also hide illegal activities, or facilitate money laundering. Here is where most tax crimes would occur (UNDOC 2019, 20-21). Companies and/or their fleet may also be registered in tax havens to avoid the taxation rates of both their host and home countries and because of the secrecy those centres

provide, posing a law enforcement problem (Curbing Corruption 2018, 6-7).

## The transit stage

The transit stage entails the movement from the place of catch to the place of sale. If the distance is large monitoring is harder, particularly if borders are crossed. Trans-shipping can further increase the opportunities for corruption and illegal activities. Customs inspection should be looked carefully at to detect any signs of corruption, as well as discrepancies between import and export quantities (UNDOC 2019, 22).

## The consumer stage

The consumer stage has less risks of new corruption, but it is important to pay attention to it since certification of sustainable fishing is demanded at this point. Because certification drives up the price of the final product, it is a main driver behind corruption to secure it at previous stages (UNDOC 2019, 13, 23).

## Cross-cutting risks

There are also types of corruption that can happen at any point, like corrupt information sharing (when someone is illicitly informed about a forthcoming “surprise” inspection) and corrupt garnering of community favour (when a company that is engaging in illegal activities engages in welfare projects for the local community) (UNDOC 2019, 12-13) or political influence (Martini 2013, 6). Finally, a subsequent corruption risk arises in the prosecution and investigation of fisheries crimes, if law enforcement officials, prosecutors and judges can also be bribed or threatened not to pursue investigations into illegal fisheries activities (UNDOC 2019, 26).

## Petty corruption

Petty corruption (Curbing Corruption 2018, 8) is worth mentioning on its own, because it usually affects small fisher households that have to pay to obtain permits or secure access to resources (Mann 2011, 1-2). This type of corruption usually happens at the preparation stage, when fishers have to apply for licenses, or in subsequent stages when they are inspected (Sundström 2013, 464). Although the bribes are not particularly high, their impact on poor households is severe (Mann 2011, 1) as “corruption punishes the poor even as they participate” (Robbins 2000, 439). One study has shown that in Peru, lower income households spend double what wealthier households spend on bribes, and in Colombia the poorest segment of the population can lose 14 per cent of their income paying bribes (Mayerhöffer 2006, 2). In South Africa, this type of corruption is often portrayed as “common knowledge” (Sundström 2013, 464), pointing to its prevalence and ubiquity.

## Flags of convenience

It is important to follow the money flow throughout the described stages to detect where illegal activities are taking place and which interactions are more susceptible to corruption in a given country and context (UNDOC 2019, 23). However, both detecting corruption and tracing the flow money is difficult because of the characteristics of fishing, particularly flags of conveniences and ports of conveniences that make it difficult to know through which states the money is flowing (Martini 2013, 6).

“**Flags of convenience**” denotes the registration of vessels in a country other than the country of ownership. The chosen country typically has fewer or less stringent regulations regarding fishing

activities or does not enforce existing rules. Many are offshore financial centres, have poor security standards and working conditions and low or no taxes, and offer their flag for sale online (Martini 2013, 3). On top of that, a lack of transparency around beneficial ownership obscures the ultimate identity of the owners complicating the matter further (Fisheries Transparency Initiative 2020, 1).

## Trans-shipment

The distance from land also represents a problem. On the one hand, fishing taking place at high seas and not in territorial waters, like the exclusive economic zone, is unregulated and depends of the good will and certification processes of NGOs with no legal standing. Even inside territorial waters, distance makes it harder to monitor the actual fishing, and many of the transactions after the catch can then take place at sea to avoid control.

Transshipping is the transfer of illegal catch from one vessel to another at sea, which then can be mixed with legal catch for commercialisation, as a way of laundering the fish (Martini 2013, 3). The distance represents a problem for inspectors and observers, who may be bribed but also threatened, which not only leads to IUU but also to poor working conditions and labour abuses. Even when observers could do something, their situation is often a conflict of interest, since their salaries sometimes are paid by the fishing companies they should monitor (Martini 2013, 5).

## Ports of convenience

Similar to flags of convenience are ports of convenience, ports chosen because there is little to no inspection in regard to fishing quotas, fake documents and so on (Martini 2013, 4, 5). The ports of conveniences are allowed to prosper by

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some countries not only because of bribes but also because the vessels that land in them engage with the local economy through the use of services in the port, for example buying fuel (Standing 2008, 20).

### Organised crime

Finally, there is a link between illicit activities in the fisheries sector and organised crime. This manifests itself in fisheries through fraud (operating different vessels under the same name and license, painting over the name of the ship to make it difficult to recognise) and through flag hopping (re-registering a vessel under a new flag to mislead investigations) (Witbooi et al 2020, 7) as well as by the fact that organised crime has a stake in high profit-low risk illegal activities and can use fisheries to launder ill-gotten money.

## Situation in Colombia

### Corruption

According to Transparency International, Colombia ranks under 92<sup>nd</sup> out of 180 countries with a score of 39 on its Corruption Perceptions Index of 2020. Although there has been some improvement since 2012, in general both the battle against corruption and the efforts for more transparency in public employment and public procurement have not had the expected results, which puts most management processes and institutions in the different subnational levels at risk of corruption (Católico y Santos 2018, 57). Furthermore, organised criminal groups in Latin America are involved in environmental crime (Duri 2020, 2).

### Fisheries and aquaculture

The fisheries sector generates 101,000 direct jobs, with 45,000 additional jobs in operation,

unloading, processing and commercialisation of industrial fishing, and 90,000 additional jobs in aquaculture (WWF-Colombia 2017, 77).

Aquaculture has grown considerably in the past years, and in 2019, it represented 171,025 tons in the sector versus 101,408 tons of capture (FAO 2019). The farming of tilapia in fresh water has particularly increased in recent years (WWF-Colombia 2017, 100).

However, the sector remains small compared to Peru and Chile. In 2012, it ranked 81<sup>st</sup> in catch and 72<sup>nd</sup> in aquaculture out of 229 reported countries and territories (AUNAP 2018, 25). The sector is also small for the Colombian economy, and represents less than one percent of GDP (AUNAP 2018, 27). More than half of the catch comes from industrial fishing (OECD 2016, 10).

### Extent of illegal, unregulated and unreported (IUU) fishing

The depletion of the different salt water and fresh water systems suggest that there is substantial unchecked exploitation. The fisheries landing in the Orinoco basin declined 85% between 1997 and 2009 (WWF-Colombia 2017, 54) and 82.1% of endangered species in the sea are affected by trawling (WWF-Colombia 2017, 57). Furthermore, sharks are being fished in Colombia and there is an important market for illegal fishing of both sharks and tuna, with the Colombian National Navy seizing 122 tons of illegally caught fish over three years (Carrere 2019).

A study conducted by Wielgus et al found that there was a discrepancy between the officially reported fishing and the study's estimates for removal, as large as 1.7 times higher than what FAO presented for the country, and 2.8 times higher in the Colombian Atlantic for the period of 1950-2006

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(2010, 511). They found that the “retained but unreported by-catch and the discards of the shrimp fisheries are the most important components of unreported catches” (Wielgus et al 2010, 511).

Because Colombia is not a major player in global fisheries, few studies on the subject have been conducted. From the available information, it is clear that vessels engage in IUU in Colombian waters.

## Reported types of corruption in the Colombian fisheries and aquaculture sector

There is not much information regarding corruption in this sector, but from the available information, and the risks studied for a country like Peru (SUNARP & GIZ, 2017), it is possible to identify a number of vulnerable points at the different stages of the value chain proposed by UNDOC (2019). The Colombian fisheries sector has both industrial and artisanal vessels, which present different corruption vulnerabilities. Artisanal vessels tend to be more informal, and thus lack adequate monitoring, but industrial fishing can engage in larger schemes of illegal activities and large-scale corruption.

In Peru, the main threats of asset laundering in the fishing sector are (SUNARP & GIZ, 2017, 23-24):

- 1) illegal extraction;
- 2) illegal processing (fishmeal);
- 3) illegal commercialisation (assets that need to be laundered);
- 4) narcotraffic funding invested in the fishery sector (both asset laundering and drug transport in fishing vessels);

- 5) other illicit activities laundering their assets in the fishery sector;
- 6) dubious clients;
- 7) terrorist activities financed by fishing enterprises.

Both IUU and narcotraffic generate illegal money and assets that need to be laundered, and productive activities can be developed with illegal assets, including fishing (SUNARP & GIZ, 2017, 12).

At the preparation stage, one of the main concerns should be regarding vessels’ crews. Informal work in Colombia represents around half of employment in the main cities according to the latest data (DANE 2021). In some cities, informal employment reaches 70% of the working population, illustrating the size of the problem. Both industrial and artisanal fisheries can take advantage of this situation and hire a crew in precarious situation. The licensing to international vessels with more bargaining power than Colombia and the flags of convenience seem to be less of a problem in the country. In 2014, AUNAP issued 13 fishing licenses, 111 to vessels with a Colombian flag and 24 to foreign flags (AUNAP 2018, 44).

At the fishing stage, the Wielgus et al study from 2010 shows a higher risk of corruption and illegal activities that lead to IUU fishing. AUNAP recognises there are deficiencies in the legal framework to mitigate IUU and considers to be a problem the lack of resources to implement monitoring and control systems (AUNAP 2018, 73).

Since IUU can be a very profitable activity, that has mostly flown under the radar in the case of Colombia, an important risk exists that organised crime mafias enter, or have already entered the fishing sector as is the case in Peru, where mafias

have already permeated this sector and are trafficking maritime resources like algae (SUNARP & GIZ, 2017, 31). Fishing sharks was allowed for artisanal fishers until recently (Minagricultura, 2019) but it was banned on 2020 to all types of fishers (Minambiente, 2020). Since the ban is quite recent, it is important to monitor its compliance, particularly since artisanal fishers are usually less controlled. Furthermore, the ranking of Colombia in CPI and other governance indexes should also be a point of concern, since weak governance is an important factor that explains overexploitation in fisheries around the world (Saavedra-Diaz et al 2016, 16).

At the landing stage, an identified vulnerability in Peru was the dearth of appropriate authorities, which limits the control and monitoring of the activities, and unloading zones exist without supervision (SUNARP & GIZ, 2017, 29). In Colombia, where fisheries is still a very small sector in the economy, one can expect this to be more pronounced.

In Colombia, the '[Autoridad Nacional de Acuicultura y Pesca](#)' - AUNAP is the Agency in charge of the administration and granting of licences in the fisheries sector, and is part of the Agriculture Ministry, whereas in Peru the highest office for fisheries and aquaculture is a Viceministry located in the Production Ministry. In Colombia, furthermore, the framework for the commercialisation of maritime resources has not been constant and several entities are in charge of the sector management (Cardenas 2020, 6). A previous agency of the sector, INCODER, only existed for 13 years, and was already replacing previous entities (Medina, 2016). This and the fact that different authorities make different decisions (Carrere 2019), can cause confusion among relevant actors.

Regarding the processing stage, there is not enough information in the case of Colombia to make an educated assessment of possible risks. Unlike Peru, its fishmeal industry is rather small and only produces it for national consumption, a demand that sometimes has to be supplemented with imports from Peru and Chile (Luna & Vega, 2010). This provides fewer incentives for corruption at the processing level, since there is no illegal catch to launder back into the fishmeal factories or to process in informal ones as in Peru. This is not to say that there are no corruption risks, but that more data and information need to be collected in order to assess what forms it could take.

At the sales stage one of the biggest risks in Colombia would be money laundering (IMF-GAFILAT 2018). The laundering of assets both from IUU and from other illegal activities, in particular drug trafficking, should be considered as one of the main risks for corruption in the fisheries sector, as it is in Peru (SUNARP & GIZ, 2017, 36-37). Colombia could consider adapting its anti-corruption and anti-money laundering strategies to the specificities of the fishing sector.

The risk at the transit stage is for the IUU to be put back into the system somewhere else and for fishing vessels to be used for other purposes. For example, according to judicial investigations, a network of fishermen in Santa Marta serviced criminal organisations, by camouflaging narcotics in the structures of vessels landing in the port (Caracol Radio 2020). Cocaine originated in Colombia has also found its way to the U.S. market in artisanal fishing vessels from Venezuela to Trinidad and Tobago (Witbooi et al 2020, 12) and since this is more profitable than fishing fishermen have been involved in transporting drugs. Illegal groups may also use fishing equipment for the drug

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trade (Saavedra-Diaz 2012, 275. The Colombian navy had to launch a task force against drug trafficking in the Caribbean, showing the opportunities the sea provides for these illegal activities (Colombian National Navy 2015). Finally, migrant smuggling (Witbooi et al 2020, 13) should also be considered at this stage, especially considering the deteriorating Venezuelan situation and its outflow of immigrants.

At the consumer stage, not enough information is available to judge the possible risks of corruption, but considering the size of some of the fishing communities living on the coast of Colombia, it is important to address the question of food security, as fish ends up in the cities, even landlocked ones like Bogota, to the detriment of local communities.

Transversal to all stages, corruption possibilities regarding both the investigation and prosecution of illegal activities in the sector should be taken into account (UNDOC 2019, 26). Although Colombia has been a prominent player in the push for an international corruption court, the Lava Jato scandals that have touched the country and its politicians are yet to be resolved, and witness tampering and assassinations have undermined the investigations (Notimerica 2019).

## Key players in the Colombian fisheries sector

### Large enterprises

There has been some criticism regarding the power industrial fishing has over extraction quotas in Colombia, which end up being too large according to some (Carrere 2019), but overall the sector remains small.

### Artisan fishermen

According to AUNAP, commercial artisanal fishery is commercial fishery in small scale, using minor methods of fishery (in Cardenas 2020, 15). It is not only an economic activity but also the source of food security for more than 1 million Colombians (WWF-Colombia 2017, 77). About half of the product of the sector comes from artisanal fishery, which makes artisan fishermen important actors, particularly in terms of petty corruption. To combat both corruption and IUU fishing, given the relative size of artisan fishing, any initiative to reform the sector and tackle corruption would do well to engage them.

By providing artisanal fishermen with knowledge and power, they will increase their participation in governance processes and thus be able to influence the decisions that affect them (Mann 2011, 4). This can improve the monitoring and enforcing of legislation, since the actors involved in the actual fishing will be more invested in the regulation and more likely to abide by something they helped create. In a similar vein, it is crucial to understand the local practices and how the framing of “responsible fishing” can disempower other social control mechanisms at those levels (Satizabal 2018). Satizabal studies how this clear-cut distinction between responsible and irresponsible fishing has not taken into account local fishing dynamics nor social responsibility, leading to the necessity of external enforcement of fisheries governance instead of relying on local place-based mechanisms (2018, 50, 56).

### Politicians

Undue political influence can happen through lobbying, conflict of interest or bribery. Fishermen “have observed how they have been used by politicians and local administrations to gain

economic resources (Saavedra-Diaz 2012, 275). For example, the congressman Milton Lopez was suspended from office for demanding agreements for his own foundation that sought to attract foreign investment to fisheries, without the proper permits and to the detriment of artisanal fishermen (Fiscalia 2019).

### Community-based Organisations

Jimenez & Saavedra-Diaz find that the fisher organisations that were involved in the adoption of responsible fishing practices were more engaged with its adoption and they motivated fishers to accept these regulations (2019, 6). The involvement of the actors closer to activities is always important and can prevent petty corruption at that level.

## Entry points to advance transparency and reduce corruption in the Colombian fisheries sector

### Reform paths

Once corruption risks have been assessed throughout the value chain, and the most widespread or damaging illicit behaviours have been identified, various approaches to advancing transparency and reducing corruption in the sector can be considered.

An important consideration is to develop a multi-stakeholder initiative that directly engages fishing communities to ensure that reforms reflect their concerns and win broader support for anti-corruption measures (Curbing Corruption 2018, 10). As has been previously mentioned, this is even more important when dealing with petty corruption at the artisanal fisheries level. Petty

corruption is better fought through transparency and accountability at the local level (Mann 2011, 1) and through the engagement of local actors. Citizen participation is especially important in decisions regarding licenses and permits, and it should be accompanied by more monitoring and reporting mechanisms, the strengthening of local government structures, the enhancement of sanctions, raising societal awareness and closely working with civil society (Mann 2011, 2).

When dealing with small communities, it is important to keep in mind the cultural aspects of some of these transactions and the close ties between government and public servants and local fishers; as well as their customs. According to Satizabal (2018, 53) currently the policy governing fisheries in Colombia does not sufficiently include fishing communities in its decisions.

To tackle larger scale corruption, and in particular deal with financial crimes and money laundering in the sector, some key actions that can be undertaken by governments are (SUNARP & GIZ, 2017, 44):

- Adapt the normative of money laundering to the sector, considering the particularities of its value chain and where and when money exchanges hands
- Assign and monitor individual quotas to all vessels, instead of for example using overall quotas of a particular species
- Give proper training on these issues, particularly on financial crimes and money laundering, to all institutions, particularly at the local level
- Fixed points to land and unload
- Increased auditing (for example satellite monitoring and highway control)
- Registry of sellers

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Support for whistleblowers is also critical (Mann 2011, 6-7). Unfortunately, Colombian national legislation on whistleblower protection is dispersed and scarce, and although it is mandatory for public servants to report any form of corruption, the current reward system for informants outside the public service offers little incentives for report, as investigations can take time and not end in prosecution. More importantly, although the legislation considers the protection of informants, there are no concrete programs that enforce this (Corporación Transparencia por Colombia 2020, 11-13).

There are three major channels to monitor and improve standards in the industry:

1) Tracking initiatives such as [Global Fishing Watch](#) - GFW who promote the use of technology that visualises, tracks and shares data on global fishing activity, which can help detect transshipping. Governments are in possession of tracking data, GFW tries to persuade them to publish this data for more effective monitoring. Their aim is to monitor both industrial and small-scale ocean-going vessels by 2030 using satellite technology and machine learning. They combine [data](#) from the automatic identification system with information from vessel monitoring systems that are operated by governments. In 2018, the GFW released its first public fishing effort data and it included more than 140 million hours of fishing, making it the first global footprint of commercial fishing activity. By 2020, their efforts had yielded an updated dataset which covered from 2012 until 2020 and had over 328 million hours of fishing across the globe (GFW 2021).

Colombia is not yet fully engaged but [entered into a Memorandum of Understanding in 2018](#) to collaborate with GFW and Pacifico, a foundation

made of four environmental funds, in an effort to advance transparency in the fishery sector (Bladen 2018). Colombia could fully commit [as Costa Rica did in 2020](#).

2) Certification initiatives like the Marine Stewardship Council, that has an office in Bogota, which provide a sustainable fishing label on the final product for consumers who want to buy seafood not obtained through IUU fishing. The MSC certification checks all companies of the supply chain and provides the final sea product with a certification of its sustainability. Unfortunately, there are some reports that the certification process is not optimal (Open Letter to MSC, 2018), and can be subject to the many risks of corruption previously described.

3) Transparency standards and principles like FiTI's standard. The [Fisheries Transparency Initiative](#) – FiTI, seeks to complement efforts to achieve a responsible fisheries governance, by increasing transparency and inclusiveness in the sector. At its core lies the FiTI's standard, an agreement on what information needs to be made available by public authorities.

Governments are encouraged to make information publicly available on twelve points: 1) public registry of national fisheries laws, regulations and official policy documents; 2) fisheries tenure arrangements; 3) foreign fishing access agreements, 4) the state of fisheries resources; 5) large-scale fisheries; 6) small-scale fishing; 7) post-harvest sector and fish trade; 8) fisheries law enforcement; 9) labour standards; 10) fisheries subsidies; 11) official development assistance; 12) beneficial ownership.

FiTI is in preliminary discussions with Colombian authorities, who seem receptive to FiTI's approach.

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FiTI is already working with governments in Peru, Mexico and Ecuador on a transparency assessment of the sector, called “[Taking Stock](#)”. This assessment tool could be used in Colombia too. Although such initiatives are important, they need to be accompanied by complementary measures, as the experience with the Extractive Industries Transparency Initiative (EITI) has shown (López-Cazar et al 2021, 11).

Finally, since the US and the EU are two of the largest markets for seafood and seafood products, it is also important that they regulate the fishing of their own vessels in host countries and demand that IUU is avoided. Their regulations need to consider what goes on at producer countries and their legislations (Curbing Corruption 2018, 6). The EU has put in place such a regulation, by which states that cannot demonstrate they are regulating fisheries and avoiding IUU are warned and eventually could be banned from exporting to the EU, but its effects are not yet established and it is feared that political considerations come into play when banning a country, or not banning another (Standing 2015, 22).

In addition, identifying international efforts that are trying to tackle corruption in the fisheries sector and seeking to align initiatives in Colombia with these could help reduce corruption (Curbing Corruption 2018, 15). The following table presents a non-exhaustive list of some additional important non-governmental international actors in this regard.

<b>Organisation for Economic Co-operation and Development - OECD</b>	The OECD has a Task Force on Tax Crime (Martini 2013, 7) and a group focused on anti-corruption (Curbing
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	Corruption 2018, 15). Colombia is currently on the path towards OECD accession and concrete steps to combat corruption and financial crimes in the fisheries sector could be discussed.
<b>United Nations Office on Drugs and Crime - UNODC</b>	As part of its mission to make the world safer from drugs, crime, corruption and terrorism, UNODC has a campaign targeting <a href="#">fisheries crime</a> and has investigated the subject.
<b>International Transport Workers’ Federation - ITF</b>	The ITF reports on flag of convenience countries and campaigns for better working conditions in fishing vessels.
<b>Cape Town Agreement</b>	An agreement with mandatory safety measures for fishing vessels of 24 meters and longer. It seeks to improve the safety of life at sea for fishers and is seen as a key tool in fighting IUU fishing (SDG Knowledge Hub 2019), since poor safety standards are associated with IUU fishing (Pew Trusts 2019).

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<b>Trygg Mat</b>	Norwegian Foundation working on sustainable fisheries and IUU. It focuses on identifying, investigating and analysing illegal fishing operations and fisheries crime.	<b>Access to Information, Public Participation and Justice in Environmental Matters in Latin America</b>	agreement seeks, among others, to guarantee environmental information access and public participation in environmental decisions. It has yet to be ratified by Colombia.
<b>Pew Charitable Trust</b>	Ending IUU fishing is a part of Pew’s international conservation program. They are working to develop a fisheries international regime to achieve this, through cooperation between partners, due diligence by seafood buyers and making sure authorities have the necessary tools to punish the activity. The idea is to develop an enforcement system with information even for the most resource-limited officials (Pew Trusts 2017).	<b>Coalition for Fair Fisheries Arrangements</b>	A coalition of NGOs that studies the impacts of fisheries on small-scale fishing communities (Curbing Corruption 2018, 17) and seeks to increase transparency and accountability (Martini 2013, 7). Considering the size of small-scale fisheries in Colombia, this could be a good entry point.
<b>Environmental Justice Foundation - EJF</b>	EJF seeks to put the spotlight on environmental and human right abuses. EJF is <a href="#">working to end illegal fishing</a> and they provide support to authorities and evidence to prosecute IUU.	<b>Transparentsea.org</b>	A vessel tracking tool and data sharing platform developed by the WWF and navama that would enhance the transparency fishing activities transparent. The WWF already has long history in Colombia, where it began working on 1964.
<b>Regional Agreement on</b>	Also known as the “ <a href="#">Escazu Accord</a> ”, the	<b>Open Government Partnership</b>	Colombia has been committed to adopt Open Contracting Data Standard – OCDS that seeks to ensure the

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	<p>transparency of public contracts, and unpublished contracts are declared unenforceable (McDevitt &amp; Marin 2016, 6-7). It has also committed itself to establish an anticorruption observatory (McDevitt &amp; Marin 2016, 7). Colombia's <a href="#">OGP action plan</a> does not include measures related to fishery, but other countries such as the <a href="#">Seychelles</a> have them, so this could be an entry point.</p>		<p><a href="#">Fisheries Economics Research Unit (FERU)</a> of the University of British Columbia to conduct research into the scale, form, and impacts of distant water fishing fleet (DWF) operations within specific priority geographies around the world.</p>
<p><b>Targeting Natural Resource Corruption (TNRC) Project</b></p>	<p>This USAID project covers anti-corruption and marine fisheries, in addition to forestry and wildlife, and <a href="#">provides further materials and research for practitioners</a>. Some of the associate awards of this project cover anti-corruption approaches for marine fisheries in specific countries.</p>		
<p><b>USAID</b></p>	<p>USAID's <a href="#">Measuring Impact II (MI2)</a> project and USAID's Marine Conservation and Fisheries Management Community of Practice are working with the</p>		

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