

The need for more transparency on ultimate ownership for the GFCM fishing fleet

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INTRODUCTION

In December 2023, Toconao^[1] (a Liberian-flagged container ship) lost part of its cargo (including plastic pellets), contaminating the coast of Spain and Portugal and triggering an environmental disaster with potential repercussions for marine biodiversity and fisheries. Despite the severity of the situation, identifying those who ultimately control and benefit most from the activity of this vessel, the beneficial owners, proved to be challenging for the investigating authorities.^[2]

Various sources provided conflicting information regarding the potential owners of the vessel, identifying a Dutch company as the vessel's owner,^[3] while others pointed to a maritime company owned by a German national and headquartered in Cyprus.^[4] According to Lloyd's List Intelligence Seasearcher (a maritime intelligence database),^[5] the beneficial owner is Global Transport Income Fund Master Partnership SCSp, based in Luxembourg, which owns 52 other vessels.

The registered owner, Polar 3 Limited, is registered in Bermuda. Although this incident occurred within the shipping, rather than the fishing sector, and on the Atlantic coast, the diverse ownership attributions highlight the current lack of transparency and the complexity of ownership structures that generally characterise vessels at sea.

In the fisheries context, it is particularly important to know the ultimate owner when imposing sanctions. However, authorities and fisheries managers often know only the registered or legal owners, who are listed on official documents and licenses, but may not be the ultimate beneficiaries. The use of complex business structures (such as shell companies, joint ventures, or front companies), coupled with the involvement of actors in multiple jurisdictions, can further conceal the identity of beneficial owners.^[6] Illegal operators also often flag their vessels to "flags of convenience",^[7] lacking a genuine link between the flag state and the vessel, despite requirements under UN Convention on the Law of the Sea. Flags of convenience typically lack effective monitoring, control, and surveillance (MCS) mechanisms and/or political or judiciary will or capacity to enforce controls of their flagged vessels, which can facilitate illegal fishing activity.^[8]

Having publicly available, accurate data on beneficial ownership is crucial for understanding who profits from and is legally accountable for fishing activities. Such transparency is essential for identifying and subsequently sanctioning the true beneficiaries involved in illegal, unreported and unregulated (IUU) fishing activities, who hide their identities and avoid prosecution.^[9] However, as our analysis reveals, beneficial ownership data are rarely collected. The importance of collecting data on beneficial ownership of fishing vessels has been recognised at the international level for more than twenty years. The International Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing (IPOA-IUU), from 2001, includes a measure calling on flag states to maintain records of fishing vessels, detailing the "name, street address, mailing address and national of natural or legal persons with beneficial ownership of the vessel".^[10] Although the majority of Regional Fisheries Management Organisations (RFMOs) already collect data on ownership only two RFMOs (IOTC and CCAMLR) currently require the collection and disclosure of beneficial ownership information.

The European Union has also adopted legislation aimed at improving fisheries control and anti-IUU fishing measures that recognises the accountability of beneficial owners. The EU Regulation to prevent, deter and eliminate IUU fishing^[11] mandates sanctioning of nationals with ownership links to vessels involved, including as beneficial owners, in IUU fishing, and through the revision of the EU Fisheries Control Regulation^[12] a provision was introduced^[13] prohibiting owning vessels (including as a beneficial owner), flagged to countries identified by the EU as non-cooperating in the fight against IUU fishing.

Following these examples, **the General Fisheries Commission for the Mediterranean (GFCM) record of vessels should include publicly accessible information on beneficial ownership to enhance transparency and support fisheries control and enforcement.** This aligns with international standards and the best practices applied in some other RFMOs.

In this briefing, we present an analysis of the available information on the ultimate ownership of vessels fishing in the GFCM Convention area. We highlight best practices from other RFMOs that disclose beneficial ownership information within their authorized vessel lists. Based on those assessments, we offer recommendations to improve transparency in the GFCM and facilitate enforcement efforts.

OWNERSHIP INSIGHTS FROM THE GFCM AUTHORIZED VESSEL LIST

Methods

Using Lloyd's List Intelligence Seasearcher, we screened vessels listed on the GFCM Authorized Vessel List (AVL) for available information on beneficial ownership. Vessels were queried in the Lloyd's List tool if they had either an IMO (International Maritime Organisation) or MMSI (Maritime Mobile Service Identity) number.

Ownership analysis and results

Of the 8694 vessels listed in the GFCM Authorized Vessel List (AVL),^[14] only 869 vessels (around 10%) had IMO and/or MMSI numbers that allowed them to be screened with Lloyd's List Intelligence Seasearcher. Information on beneficial ownership was generally found to be incomplete, and particular attention was put on if the beneficial or registered owner was located outside the flag state, one potential detail that could indicate ownership irregularities.

Of those 869 vessels, ownership details were available for 297 fishing vessels, with 192 vessels having both registered and beneficial owners based in the flag state. However, for 25 vessels, the beneficial owner or registered owner was located outside the flag state; for example, 14 Georgian-flagged vessels had owners based in Turkey. In addition, three vessels had owners based in one or more non-GFCM member countries, namely in Russia, the United Arab Emirates, Saint Vincent and Grenadines, and Liberia, and information on those were contrasted with online national registers when available.

Noteworthy examples included:

- The trawler **Salvatore Gancitano** (IMO: 7233008) flagged to Italy and listed as **Bucefalo** on the GFCM AVL, has a beneficial owner in the United Arab Emirates, Its registered owner is the Saint Vincent and Grenadines-based **Neptune Fishing Company Limited**.
- The vessel **Sallem/Work Chief** (IMO: 6924935) flagged to Tunisia, has a UK beneficial owner, **Cross Ship Repair (Gibraltar) Limited**, alongside a Liberian registered owner, **Kelpie Shipping Limited**.

In other cases, inconsistencies were found regarding the name of the company that was listed as the registered or beneficial owner, such as in the following example:

- The trawler ***Diniva*** (IMO: 8657196) is flagged to Croatia. According to Lloyd's List Seasearcher, the registered owner is **Ribarski Obrt Virginia vl. Bojic Vladan**, in Russia. This vessel engages in fishing activities in the Adriatic Sea. According to the *Croatian Register of Shipping*, the owner is **RIBARSKI OBRT VIDOVIĆ vl. DINO VIDOVIĆ** based in Croatia. This conflicting information is typical of vessel ownership data, as they are not systematically collected.

Understanding ownership structures in the GFCM area remains challenging due to the lack of systematic data collection. Even when beneficial ownership data are collected, this information is not consistently made public, which further hinders efforts to effectively manage and control fishing activities.

DRAWING LESSONS FROM OTHER RFMOs ON BENEFICIAL OWNERSHIP TRANSPARENCY

When requirements on ownership information are compared across RFMOs, it becomes clear that the majority of RFMOs have implemented measures on the inclusion of ownership data in authorized vessel records. Out of the 12 RFMOs assessed, seven publicly disclose ownership information (namely CCAMLR, CCSBT, ICCAT, IOTC, SEAFO and WCPFC), in contrast to the GFCM which does not currently make such data publicly available. The Indian Ocean Tuna Commission (IOTC) stands out by including details on both the registered owner and beneficial owner, if these are different from the vessel owner/operator. It is noteworthy that Spain, which is a CPC to both IOTC and GFCM, provides beneficial ownership data to this register.

However, it is crucial that RFMOs not only unambiguously mandate CPCs to submit ownership information, but also ensure that they fulfill this reporting obligation. For example, in 2022, the rate of information submitted to the IOTC Secretariat on vessel beneficial ownership was only 19%.^[15]

CPCs often fail to submit information on the beneficial owner when the registered owner and beneficial owner are identical. In response, the Compliance Committee of the IOTC recommended that CPCs should explicitly provide information on beneficial owners if different from the vessel owner/operator or, alternatively, CPCs should specify if the beneficial owner aligns with the owner/operator¹.

In light of these practices within other RFMOs, we urge the GFCM to follow the lead of the IOTC in requiring CPCs to provide ownership information, including beneficial ownership, and to make this information publicly accessible.

¹ IOTC. 2019. Resolution 19/04 concerning the IOTC record of vessels authorized to operate in the IOTC area of Competence

RECOMMENDATIONS

We call upon GFCM CPCs to amend Recommendation GFCM/45/2022/17,[16] so as to:

Extend the Authorized Vessel List to also include public information on:

- Previous flag state and previous owner;
- Beneficial owner.

Make the following information public, which is currently only accessible to CPCs:

- Owner's address, city, postal code, and country, including information on the beneficial owner;
- Operator's address, city, postal code and country.



APPENDIX 1

Summary of ownership requirements in RFMOs[17]

RFMO	OWNERSHIP INFORMATION REQUIREMENTS	IS OWNERSHIP INFORMATION PUBLICLY AVAILABLE?	LINK
CCAMLR	<ul style="list-style-type: none"> Name and address of vessel's owner(s), and any beneficial owner(s) if known Name and address of license owner (if different from vessel owner(s)) 	YES	Conservation Measure 10-02 (2022)
CCSBT	<ul style="list-style-type: none"> Name and address of owner(s) Name and address of operator(s) 	YES	Resolution on a CCSBT Record of Vessels Authorized to Fish for Southern Bluefin Tuna
IATTC	<ul style="list-style-type: none"> Owner name/country Operator(s) name/country 	YES	Resolution (Amended) on a Regional Vessel Register (C-14-01)
ICCAT	<ul style="list-style-type: none"> Name and address of owner(s) and operator(s) 	YES	Recommendation by ICCAT amending recommendation 13-13 concerning the establishment of an ICCAT record of vessels 20 metres in length overall or greater authorized to operate in the convention area
IOTC	<ul style="list-style-type: none"> Name and address of owner(s) and operator(s) Name and address of beneficial owner(s), if known and different from vessel owner/operator or indicate non-availability Name and address of company operating the vessel and company registration number (if any) 	YES	Resolution 19/04 concerning the IOTC record of vessels authorized to operate in the IOTC area of Competence
NAFO	<ul style="list-style-type: none"> Registered owner and address Responsible for using the vessel 	NO	NAFO Conservation and Enforcement Measures 2024
NEAFC	No	/	NEAFC Scheme of Control and Enforcement

RFMO	OWNERSHIP INFORMATION REQUIREMENTS	IS OWNERSHIP INFORMATION PUBLICLY AVAILABLE?	LINK
NPFC	No	/	Member/CNCP Flagged Vessel Register
SEAFO	<ul style="list-style-type: none"> • Name and address of owner or owners • Name and address of operator (manager) or operators (managers)(if any) 	YES	SEAFO System of Observation, Inspection, Compliance and Enforcement (2022)
SIOFA	<ul style="list-style-type: none"> • Name and address of owner or owners • Name and address of operator (manager) or operators (managers) (if any) 	NO	Conservation and Management Measure for Vessel Authorisation and Notification to Fish (Vessel Authorisation)
SPRFMO	No	/	Public Vessel Record
WCPFC	<ul style="list-style-type: none"> • Name of the owner or owners • Address of the owner or owners 	YES	CMM 2022-05 - Standards, Specifications and Procedures for the Western and Central Pacific Fisheries Commission Record of Fishing Vessels

[1] IMO: 9627899

[2] Fuentes, A. (Host)(2024, January 18). Del "Prestige" al "Toconao": ¿por qué los barcos usan banderas de conveniencia? [Audio podcast episode]. In *Hoy en El País*. 'Podcast' | Del 'Prestige' al 'Toconao': ¿por qué los barcos usan banderas de conveniencia? | Hoy en EL PAÍS: tu podcast diario | EL PAÍS (elpais.com)

[3] Santos., B (2024, January, 9). Millions of plastic pellets from a lost cargo container wash up on Spanish shore. *Sustainable Plastics*. <https://www.sustainableplastics.com/news/millions-plastic-pellets-bedeko-europe-wash-spanish-shore>

[4] Izquierdo, R. (2024, January, 9). Así es el Toconao, el barco de bandera de Liberia que arrojó pellets de plástico a la costa de Galicia. AS. <https://as.com/actualidad/sociedad/asi-es-el-toconao-el-barco-de-bandera-de-liberia-que-arrojo-pellets-de-plastico-a-la-costa-de-galicia-n/>

[5] <https://lloydslist.com/> (Consulted in December 2023)

[6] Freitas, B. (2021). Beneficial ownership in the Fishing Sector and Links to Corruption. WWF. 18ar730zse_BO_fishing_FINAL2.pdf (worldwildlife.org)

[7] Trygg Mat Tracking & C4ADS. (2020). Spotlight on the exploitation of company structures by illegal fishing operators. Exploitation of Company Structures by Illegal Fishing Operators (tm-tracking.org)

[8] EU IUU Coalition (2022). Analysis of the EU fishing fleet's implementation of the SMEFF Regulation: Reflagging behaviours. <https://www.iuuwatch.eu/wp-content/uploads/2022/05/EU-IUU-Coalition-Reflagging-Study-EN.pdf>

[9] Park, J., Van Osdel, J., Turner, J., Farthing, C. M., Miller, N. A., Linder, H. L., Ortuño Crespo, G., Carmine, G., & Kroodsma, D. A. (2023). Tracking elusive and shifting identities of the global fishing fleet. *Science Advances*, 9(3), eabp8200

[10] FAO. (2001). International Plan of Action to prevent, deter and eliminate illegal, unreported and unregulated fishing. Rome, FAO. 24p.

[11] Article 39 of Council Regulation (EC) No 1005/2008 establishing a Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing. Consolidated version of 9 January 2024. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02008R1005-20240109>

[12] Article 38(10) of Council Regulation (EC) No 1005/2008 establishing a Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing. Consolidated version of 9 January 2024. Available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02008R1005-20240109>

[13] Article 39 of Council Regulation (EC) No 1005/2008 establishing a Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing. Consolidated version of 9 January 2024. Available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02008R1005-20240109>

[14] The GFCM-AVL was retrieved on 7 November, 2023

[15] FAO. (2022). *Analysis of beneficial owners' information of authorised vessels* (IOTC-2022-WPICMM05-11). Indian Ocean Tuna Commission. Available at: https://iotc.org/sites/default/files/documents/2022/04/IOTC-2022-WPICMM05-11_-_Beneficial_owners.pdf

[16] Recommendation GFCM/45/2022/17 on information contained in the GFCM record of authorized vessels over 15 metres in the GFCM area of application, amending Recommendation GFCM/33/2009/6 and repealing Recommendation GFCM/44/2021/18

[17] Oceana. (2023). Call for the GFCM to increase transparency and effectively tackle non-compliance cases and IUU fishing. <https://europe.oceana.org/reports/call-for-the-gfcm-to-increase-transparency-and-effectively-tackle-non-compliance-cases-and-iuu-fishing/>



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