

Statement by Arni Thomson

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Before the

House Subcommittee on Fisheries, Wildlife, Oceans and Insular Affairs

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Chairman, Members of the Subcommittee:

My name is Arni Thomson. I am President of the United Fishermen of Alaska (UFA) and Executive Director of the Alaska Crab Coalition (ACC). In addition, the Alaska Bering Sea Crabbers (ABSC), the Inter-cooperative Exchange (ICE), the Fishing Vessel Owners' Association (FVOA), and the Crab Group of Independent Harvesters also endorse this statement. On behalf of these organizations, I thank the Subcommittee for the opportunity to provide testimony on measures aimed against illegal, unreported, and unregulated (IUU) fishing.

Our organizations strongly support efforts to address illegal, unreported, and unregulated fishing. As I stated in a Senate meeting in December of last year, our organizations urge prompt ratification and legislative implementation of the Agreement on Port State Measures to Prevent, Deter, and Eliminate Illegal, Unreported, and Unregulated Fishing. It is important to recognize, however, that in view of the nature and extent of the IUU problem, legislation beyond that implementing the Agreement is necessary. Based on our preliminary review of H.R. 3472, the Pirate Fishing Vessel Disposal Act of 2011, and H.R. 4100, the Illegal, Unreported, and Unregulated Fishing Enforcement Act of 2011, we are confident that Congress will craft wise measures to address this complex and highly technical area. Today, I will confine my statement to the reasons why legislative action is needed, and with your permission, submit for the record our comments specific to those two proposals.

UFA is the umbrella organization representing thirty-seven diverse commercial fishing organizations that operate in Alaska and adjacent federal waters. The ACC has been representing Bering Sea crab vessel owners and operators, since 1986, before the North Pacific Fishery Management Council, the Alaska Board of Fisheries, the U.S. Congress, and the Commerce Department on the panoply of management issues affecting the Alaska crab fisheries. Alaska Bering Sea Crabbers represent 70 percent of Bering Sea crab harvesting quota share holders. ICE is a Fishermen's Collective Marketing Act Cooperative also representing approximately 70% of harvester quota under the Bering Sea Aleutian Islands fisheries management plan.

ICE represents members in negotiation and arbitration, provides seafood market information to its members and promotes Alaskan crab. The FVOA is a trade association representing the owners of 90 hook-and-line fishing vessels that operate in fisheries from California to Alaska, and in the mid-Pacific Ocean, including halibut, sablefish, and Pacific cod in the Bering Sea and Gulf of Alaska, and sablefish off the coast of Washington, Oregon, and California, as well as albacore within and beyond the United States Exclusive Economic Zone in the Pacific Ocean. The Crab Group of Independent Harvesters represents Bering Sea and Aleutian Islands crab quota share holders from Alaska, Washington and Oregon. These organizations have been deeply involved in efforts to assess the impact of IUU fishing and to encourage a strong U.S. domestic and international response.

It is important to note that the ACC was instrumental in arriving at stakeholder agreement on the establishment of quota-based management for Bering Sea and Aleutian Islands crab fisheries, and the FVOA was key to the ground breaking establishment of individual quotas for halibut and sablefish. While these impressive programs have delivered on their promises to improve conservation and safety, to protect dependent communities, and to increase efficiency and product quality, they have not been a panacea. IUU can only be dealt with by measures targeted on that challenge.

Accordingly, our organizations deeply appreciate the dedication and leadership of Members of Congress in addressing the challenges posed by IUU fishing. We are also grateful to Under Secretary Lubchenco, for heading up the Administration's successful initiative to conclude the new Agreement, to achieve ratification and implementation by the United States, and broad acceptance by the key members of the international community. Dr. Lubchenco has rightly observed that, "Illegal, unreported and unregulated fishing is one of the most serious threats to American fishing jobs and fishing communities, as well as to the health of the world's oceans."

The National Oceanic and Atmospheric Administration has declared that the United States, as a global leader in sustainable fisheries management, and as the third largest importer of seafood, has a responsibility to ensure that what enters our commerce has been caught legally. NOAA has recognized that the United States has a responsibility to protect the American fishing industry from unfair competition and to ensure consumer confidence in the seafood supply, by keeping IUU fish out of the market.

Exhaustive research and close analysis have revealed the enormity of the damage to fishery resources, legal fishing businesses, and fishing communities, caused by IUU fishing. Fisheries managers cannot achieve sustainable levels of fishing, when

IUU activities render accounting for catch levels impossible. Legal fishing businesses suffer, and fishing communities suffer with them, when legal fishing is curtailed in response to resource depletion, that almost always eventuates from IUU fishing, and when market prices are depressed, at home and abroad, by enormous influxes of illegal product.

The scale of IUU fishing impacts, worldwide, is reflected by the estimated annual production of between 11 and 26 million tons, with a value of \$10-\$23 billion. According to the highly respected McDowell Group, that has conducted extensive research reported to the Alaska Seafood Marketing Institute, IUU crab fishing is "prevalent in Russia," although recent Russian enforcement efforts have had an effect. Mr. Jake Jacobsen, a recognized expert in this field, has pointed out that, from 2000 to 2010, 2.6 crab were illegally taken for every single crab legally harvested. In three of the last ten years, the amount of Russian-origin king crab imported into the United States, Japan, and Korea far exceeded the entire, legal, total allowable Russian catch. In 2010, the estimated Russian illegal snow and king crab harvest of 39.37 metric tons was only slightly below the reported legal harvest. In that year, Russian IUU crab production was greater than the entire Alaskan production, and since 2005, has been up to five times larger, according to McDowell.

The illegal Russian crab depresses prices for legal Alaskan crab, both in the United States and in foreign markets, and presents the consumer with an inferior product, the origin of which is all-too-often deceptively labeled as Alaskan. From 2000-2010, IUU Russian crab is estimated to have cost American harvesters \$560 million, and cost coastal communities and the State of Alaska \$11 million in tax revenues.

Foreign organized crime and government corruption, domestic criminal elements, poor fisheries management, limited enforcement, and weak penalties, largely account for IUU fishing. The chances of perpetrators being apprehended are small, and of being prosecuted much smaller, and penalties are far from sufficient to deter IUU activity.

The IUU process runs right through the chain of custody: From harvesting vessels, that are often flying flags of convenience; to landing ports, in which bribery of foreign officials is rampant; to imports into intermediary countries, where there is only minimal inspection; to third-country processing, in China and elsewhere, in which illegal and legal crab product is mixed; to the ultimate import destinations, where inspection is no better; and finally, to distributors, and retail markets and consumers, where identifying illegal product is impracticable or impossible.

International agreement and domestic legislation are, indeed, vitally important. However, so also are other responses. These include the Global Trust Certification of fisheries that comply with the United Nations Food and Agriculture Organization-

based Responsible Fisheries Management Standard. The recent certification of Alaska king and snow crab management, which was initiated by the Alaska Seafood Marketing Institute (ASMI), followed certification of halibut, sablefish, and pollock management, and was an important milestone for the Bering Sea and Aleutian Islands crab industry, crab-dependent communities, and crab consumers. Now, stakeholders, including the ACC, are working to establish efficient and reliable mechanisms to trace crab from sustainable fisheries, throughout the product supply chain, to the consumer.

The Bering Sea and Aleutian Islands quota program, IUU legislation, certification of Alaska king and snow crab management, and effective measures for traceability, are the central pillars of an overall program to ensure a great future for the fishery and the market. Government and non-government organizations, in both the domestic and international arenas, have well proved what can be accomplished, when they work together toward a vitally important, shared goal.

Again, thank you for the opportunity to present testimony on these important matters.