## United States Senate Committee on Foreign Relations "Fisheries Treaties & Port State Measures Agreements" Hearing Testimony of Mark H. Gleason Executive Director, Alaska Bering Sea Crabbers February 12, 2014

Good afternoon Mr. Chairman and Members of the Committee. Thank you for the opportunity to testify at today's hearing. My name is Mark Gleason and I am the Executive Director of the Alaska Bering Sea Crabbers. We are a Seattle-based trade association representing 70% of the crab fishermen in the Bering Sea. Our members are small, independently owned family businesses providing living wage jobs to thousands of Americans. These jobs include not just fishing jobs, but also jobs in the seafood processing sector, transportation and logistics, restaurant workers and those in the retail trade. We brave the waters of the Bering Sea to produce the highest quality crab for our domestic and international customers.

I am here today to discuss the issue of Illegal, Unreported, and Unregulated fishing. For the remainder of my testimony I will refer to this as "IUU." Globally the IUU seafood trade results in economic losses of between \$10-23 billion annually.<sup>1</sup>

Here in the US, the Bering Sea crab fishery illustrates a prime example of what can happen to the market when it is flooded with IUU product. In 2011 the Alaskan fishery brought roughly 80 million pounds of live crab to market. The "official" Russian harvest was about 91 million pounds that year. However, upon further examination of Russian trade data, it appears that Russia actually exported closer to 189 million pounds in 2011. This 98 million pound discrepancy is attributed to IUU production. Not surprisingly, in Alaska we experienced a 25% decline in the price we received for our crab as this pulse of illegal Russian crab entered not only the U.S. market, but the global supply chain as well.

Unfortunately, 2011 was not unique. A recent article in the *Wall Street Journal*<sup>2</sup> noted that illegal Russian crab on the world market increased by an additional 36% between 2011 and 2012. That same article cited statistics from the National Oceanic and Atmospheric Administration indicating that illegal Russian crab has cost US fishermen \$560 million since 2000. Alaskan coastal communities have also lost out on roughly \$11 million in tax revenue during this same period. Clearly we must take action to prevent further harm to US fishermen and fishing dependent coastal communities.

As a globally traded seafood commodity, the supply chain for Russian crab from the point of harvest to the point of consumption is exceedingly complex. Initially, the crab is illegally harvested in Russian waters by vessels flying what are known as

 $<sup>^{1}</sup>$  Agnew DJ, Pearce J, Pramod G, Peatman T, Watson R, et al. (2009) *Estimating the Worldwide Extent of Illegal Fishing*. PLoS ONE 4(2); e4570.

 $<sup>^2</sup>$  Carlton, Jim. "Alaska Crabbers Get Pinched by Poachers." Wall Street Journal. 3 April 2013.

"flags of convenience." Cambodia and Sierra Leone are two of the most common flags of convenience. Although these vessels are not flying the Russian flag, they are often times crewed and controlled by Russian nationals, in violation of Russian law. The crab is then off-loaded to transport vessels at sea. This practice is known as trans-shipment. These transshipment vessels then deliver the crab to ports in either Japan or South Korea where it is processed and integrated into the supply chain. Along the way there are multiple opportunities to obscure the origin of this illegal product either through misrepresentation involving fraudulent paperwork or by comingling the illegal product with legal product. This makes it nearly impossible for the end-user to distinguish between legally and illegally caught crab. This illegal supply chain is driven by highly motivated and sophisticated international criminal conspiracies operating in multiple countries.

My association is under no illusion that there is a single "silver bullet" that will remedy this situation. We understand it will take a combination of intergovernmental cooperation, private sector initiatives in both the US and Russia, and a robust regulatory regime with adequate enforcement capacity to put a dent in this illicit trade.

Operating under the assumption that all seafood products must eventually come to port, the *Agreement on Port State Measures to Prevent, Deter, and Eliminate Illegal, Unreported, and Unregulated Fishing* is a major achievement in the global fight against IUU. This *Agreement* requires Nations to effectively police their ports and ensure that illegally harvested seafood products are not able to enter global trade. The United States was a leader in drafting this *Agreement*. In order for us to continue to demonstrate our leadership we must act now to ratify the *Agreement* and then pass domestic legislation to fully implement the *Agreement* here at home. I urge the Committee to take the first step and report this *Agreement* favorably.

The Bering Sea crab fishery is a recognized model for sustainability. The fishery is prosecuted under stringent, scientifically informed catch limits. Our fishing gear is environmentally sensitive and has a minimal impact on the seafloor. We have a transparent management process guided by science and stakeholder involvement. We have spent considerable time and effort to fully develop our markets, both here and abroad. We are proud of the product we bring to market and welcome fair competition. But the playing field must be level. As long as illegal Russian crab is afforded unfettered access to the world market, the playing field will not be level. The *Agreement* before you today is a significant step in the right direction. The choice is clear. We can support US fishermen and coastal communities or we can continue to allow pirates and international criminals to profit from the illicit trade in IUU Russian crab. Thank you once again for the opportunity to testify and I would be happy to answer any questions.