

## INCIDENT CASE STUDY NO. 1

# ILLEGAL FISHING, LABOUR ABUSE AND HIDDEN OWNERSHIP UNCOVERED IN NAMIBIA



Photo credit: Stop Illegal Fishing

### SUMMARY OF THE CASE

A special mission for at sea inspections of Namibian flagged tuna longline vessels was planned for the western border of the Namibian EEZ. On 22 June 2022 the SHANG FU was inspected and evidence of illegal shark finning was found in addition to the vessel not carrying a fisheries observer, as is required, so the SHANG FU was ordered to port for further investigation. This led to a fine for fisheries violations which was paid, but months later, further investigations uncovered potential labour abuse. This led to the police removing the 57 crew from the SHANG FU and her sister vessel the NATA 2 in the port of Walvis Bay. Further research, supported by the SADC MCSCC, showed a history of IUU fishing and the use of shell companies with links to hidden Taiwanese ownership.

#### THIS CASE INVOLVED

- ✓ IUU fishing
  - ✓ Fisheries related illegality
- Fisheries associated crimes

#### METHODS USED

- Vessel identity
- ✓ Flagging issues
- Document forgery
- ✓ Business practices
- Avoidance of penalties
- ✓ Labour issues

#### VESSELS

SHANG FU (Ex WIN FAR NO 162) – tuna longliner  
NATA 2 – tuna longliner

#### FLAG STATES

Namibia  
Previously Taiwan

#### PENALTIES

Fine by Namibian authorities of USD 15,000 for illegal discarding of marine resources and shark finning

## KEY EVENTS

**JUN 2022** Namibian flagged tuna longline vessel SHANG FU was identified during a fisheries patrol by the Sea Shepherd's OCEAN WARRIOR fishing in Namibian waters. While inspecting the SHANG FU, Namibian fisheries inspectors and police discovered evidence of illegal shark finning and no fisheries observer onboard, which is required by law.

The crew of the SHANG FU included 35 Filipinos, 2 Taiwanese, 2 Chinese, 3 Indonesians, 2 Vietnamese and 4 Mozambicans without documents, and 4 Angolan and 8 Namibians with documents. Crew interviews revealed that marine resources were reportedly illegally discarded, and that the working conditions onboard were unsatisfactory. The vessel was ordered into the port of Walvis Bay for further investigation.

SHANG FU's captain was charged with contravening the Marine Resources Act, 2000 (Act 27 of 2000) by discarding marine resources (carcasses of sharks) harvested and retaining quantities of fins (shark finning) which is in contravention of Regulation 24 (4). He further was charged for failing to keep up to date drawings or descriptions of the layout of the vessel, certified by a competent authority of the flag state of the vessel and specifying in particular the number of fish holds of the vessel with an indication of their storage capacity expressed in cubic metres. Other related charges were for incorrect marking of buoys, failure to provide a boarding ladder, failure to keep copies of the Marine Resources Act and Regulations on board the vessel and failure to maintain and keep documents on board in English. He admitted guilt and paid the fine of around USD 15,000.

**JUL 2022** The sister vessel NATA 2 completed her fishing trip and docked on 5 July 2022. She was immediately attached to the investigation. Namibian police and immigration authorities confirmed that all crew members including captains, chief mates and chief engineers on both vessels were illegally employed without work permits or visas.

**SEP 2022** The Namibian Police removed 57 people from Walvis Bay port in a suspected labour abuse incident. The workers, with a variety of citizenships, were crew members on SHANG FU and NATA 2, fishing vessels owned by Nata Fishing Enterprises.

**JAN AND FEB 2023** At the request of Namibia, the SADC MCSCC, supported by SIF and TMT provided information on SHANG FU, NATA 2 as well as a linked vessel, SHANG HAI NO.66 to assist with investigations by the Namibian Prosecuting Authority. While no information was found on

- ▶ SHANG HAI NO. 66, indicating that a vessel with this name does not exist in public records, SHANG FU, was found to have an IUU fishing history, having been arrested on 12 September 2018 in São Tomé and Príncipe for illegal catch of shark and shark finning violations, and was at the time registered to Taiwan.

Research into SHANG FU and NATA 2's ownership indicated that Nata Fishing Enterprise, of Walvis Bay, Namibia was the registered owner since flagging there in 2018, however, the company's operations were not traceable, and the Chairperson of the Confederation of Namibian Fishing Associations stated that he was unaware of their existence. Nata Fishing Enterprise is also the name of a Taiwanese owned company registered in Samoa, owned by a Mr Yi Li Ling, who also owns Yu Sheng Marine Company, which shares a Taiwanese address with Shang Yuan Fishery Co Ltd, a previous owner of NATA 2. Mr. Yi Li Ling prior to 2017, was also the owner of the Taiwanese company Shang Fu Fishery.

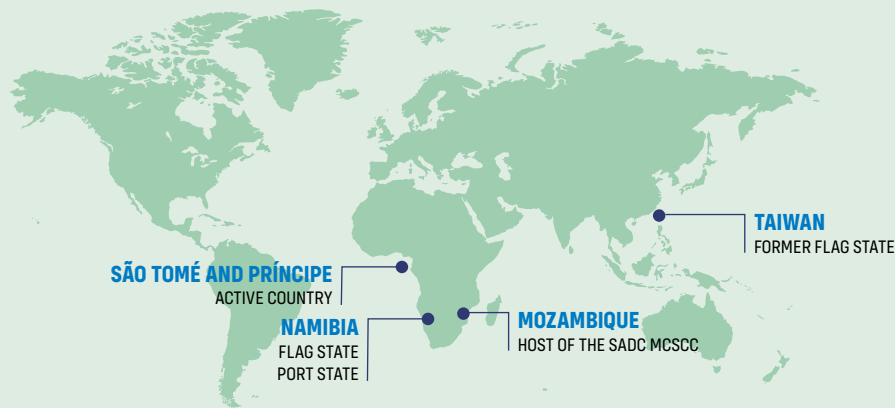
In April 2022, this company was registered as the parent owner of both SHANG FU and NATA 2 and was also the policy holder of the insurance on the vessels. According to sources, this company was dissolved in October 2022, shortly after the incidents with the vessels in Namibia. As of February 2023, vessel records still state that Nata Fishing Enterprise in Namibia is the registered owner of the vessels and that Shang Fu Fishery is the parent owner.

The Southern African Development Community (SADC) has united to tackle illegal, unreported and unregulated (IUU) fishing and to reduce its far-reaching impacts through the establishment of the Regional Fisheries Monitoring Control and Surveillance Coordination Centre (MCSCC).

The MCSCC facilitates regional coordination to combat IUU fishing by, inter alia, coordinating and providing advice and support for fisheries law enforcement, providing a central MCS information exchange platform and facilitating cooperation with other stakeholders in fisheries monitoring, control and surveillance (MCS).

The incident case study series demonstrates the successful work of the SADC MCSCC, the SADC Member States and the technical partners to overcome IUU fishing.

For further information visit:  
[www.sadc.int](http://www.sadc.int)  
[www.sadcmcscc.org](http://www.sadcmcscc.org)  
[www.stopillegalfishing.org](http://www.stopillegalfishing.org)



## WHAT WORKED?

- Cooperation with Sea Shepherd for patrolling enabled the at-sea inspections.
- Effective Namibian processes enabled a prosecution and a fine (which was paid) for violations of the law.
- A police operation followed effective investigation by the Namibian Prosecuting Authority which is still ongoing.
- Namibian effective cooperation with the SADC MCSCC and its partners enabled fisheries intelligence and information to assist in the Namibian investigations.

## WHAT DID THE SADC MCSCC DO?

- Through the MCSCC's technical partners, the Centre provided intelligence and information on SHANG FU and NATA 2.
- Researched into SHANG HAI NO.66 a linked vessel following requests from Namibia.

## WHAT NEEDS TO CHANGE?

- Performing adequate risk assessment before flagging or licencing fishing vessels, to assist in identifying ownership structures and previous IUU history.
- Validation of risk assessment through fishing vessel pre-registration and pre-license inspections to enable physical checking of the risk assessment including the working conditions.
- Improved off-loading inspections to disclose illegal catch (shark fins).
- Improved tracking or reconstruction of operational patterns to get information about fishing grounds and target species and at sea transshipment activities.
- Improved policy and procedures to require declaration of ownership and beneficial ownership of fishing vessels to assist authorities to identify links to IUU fishing and identify high-risk vessels.

- Stronger regional cooperation and information exchange to facilitate insight into identity, ownership and IUU history before registration and licensing.

## HOW?

**The evidence uncovered during the case studies demonstrates different methods or approaches that illegal operators use to either commit or cover-up their illegality and to avoid prosecution.**

**FLAGGING ISSUES** The vessels changed from Taiwanese to Namibian flag when they were sold to Nata Fishing Enterprises in Namibia, this may have been to cover up the IUU fishing past of SHANG FU. It appears that the previous owner has remained the beneficial owner of the fishing vessels.

**BUSINESS PRACTICES** Ownership from the point of being flagged to Namibia and until 2022, was claimed to be with the Namibian registered company Nata Fishing Enterprises, however, this company was not traceable in Namibia, and until 2022 the beneficial owner of the vessel was unknown but suspected to reside in Taiwan. In April 2022, this was confirmed to likely be Shang Fu Fishery in Taiwan, but with the dissolution of this company in late 2022, the ownership status beyond the non-traceable Nata Fishing Enterprises in Namibia, was again unknown. Nata Fishing Enterprises in Samoa is owned by the previous Taiwanese owner this indicates that beneficial ownership may be different to the details provided to the Namibian Authorities.

**LABOUR ISSUES (suspected)** The Namibian Police identified that working conditions onboard the fishing vessels were unsatisfactory and that documents for the crew were not in order. Further investigation discovered crew of many different nationalities under poor conditions with several of the crew members having been onboard the vessel since 2018. This aspect of the case is still under investigation, however in mid-2023 the foreign crew were repatriated.

Partners in this case study include:



thewaterloofoundation\*

