Unreported, and Unregulated (IUU) Fishing Regional Overview



GULF OF MEXICO

Geography

The <u>Gulf of Mexico</u> is the tenth largest body of water on earth, has <u>3,100 miles</u> of coastline, and spans several countries, including Mexico, Cuba, and the U.S. states of Texas, Louisiana, Mississippi, Alabama, and Florida. In Florida's Gulf Coast, where the powerful Gulf Stream <u>current</u> meets the Florida straits, the process of <u>upwelling</u> brings cold, nutrient-rich water from the seafloor up to the surface, making this area particularly <u>ecologically</u> and, by extension, economically productive. Elsewhere in the Gulf, <u>oil drilling</u> and chemical runoff in the Mississippi and Grijalva Rivers creates numerous localized <u>dead zones</u>. Playa Bagdad, Mexico, serves as the <u>"lancha"</u> fleet hub and the epicenter of Gulf IUU fishing. The principal targets of illicit fishing include <u>red snapper</u> and <u>sharks</u>.

- The Gulf of Mexico yields 40% of U.S. domestic seafood catch, supports 166,000 jobs, and generates \$27 billion for the seafood industry.
- Across Q1, Q2, Q3, and Q4 FY2022, U.S. Coast Guard and law enforcement agencies recorded 772 IUU incidents in the Gulf of Mexico. Florida's Gulf Coast, Caribbean, and South Atlantic coastlines similarly suffered 836 IUU incidents.

Strategic Significance

The Gulf of Mexico hosts vital maritime trade routes for the United States. The Mississippi River network, which empties into the Gulf, offers inexpensive access to America's heartlands and moves 500 million tons of goods per year. Louisiana is home to the only very large crude carrier (VLCC) port in the U.S. and the states bordering the Gulf boast some of America's most productive trade nodes such as the Port of New Orleans, the Port of Houston, Port Everglades, and the Port of Corpus Christi. A planned VLCCcompatible port in Texas will also make the Gulf of Mexico a veritable energy hub. This potential value is undermined by the activity of criminal maritime activity. Cartel IUU fishing operations and their Chinese patrons pose a challenge to both homeland security and environmental sustainability. Lancha fleets are degrading commercial fish stocks to dangerous levels, strangling economic potential, negatively impacting food security, and ultimately creating the conditions for regional instability. The recent decision to ban Mexican fishing vessels from U.S. ports in the Gulf illustrates the gravity of the threat.





IUU CHALLENGES

Mexican Cartels and Lancha Criminal Nexus

Most IUU fishing conducted in the Gulf of Mexico is controlled by the <u>Gulf Cartel</u>, a criminal enterprise based in Tamaulipas State that extorts fishing crews to traffic drugs as well as seafood. In exchange for smuggling its product, the <u>Gulf Cartel sponsors fishermen in Playa Bagdad</u> with gill nets and "lanchas." A lancha is a <u>light, fast-moving watercraft</u> with <u>low height profile and camouflage</u> designed to blend with the sea and horizon, making them ideal for a multitude of criminal activities. If lanchas are detained by the U.S. Coast Guard, cartel agents secure the crew's release by <u>posting bail</u> and <u>finance</u> new lanchas. Estimates show that every lancha fisherman the U.S. Coast Guard captures has been arrested an average of <u>seven</u> times. In addition to patronage, the Gulf Cartel also uses violence and threats to exploit lancha crews. To operate out of cartel territory, which includes ports like Playa Bagdad, fishermen must pay <u>tribute</u>. This onerous fee incentivizes overfishing, since red snapper can net an average of <u>\$27.99 a pound</u>. In 2020, the Coast Guard seized <u>75,000 pounds</u> of illegally caught seafood and marine life from lanchas.

Chinese Market Influence

Asian market demand drives significant IUU fishing of sharks in the Gulf of Mexico. Lanchas target red snapper and shark catch simultaneously, casting gill nets that trap sealife indiscriminately. Fishermen then slice off the shark's fins to be sold as a lucrative ingredient in the traditional <u>Asian dish of shark-fin soup</u>. <u>China</u> is a particularly popular <u>destination for shark fins</u> sourced from the Gulf of Mexico. The scale of IUU shark fishing in the Gulf is staggering; in one instance, Texas game wardens discovered an abandoned three-mile-long gill net with nearly <u>3,000 juvenile sharks</u>. Although it's a far cry from China's distant water fleets in the U.S. exclusive economic zone (EEZ), the incremental creep of Chinese fishing interests into North American waters is a concerning trend. Indeed, <u>Chinese fish appetites</u> have similarly diminished the <u>totoba</u> population in the Gulf of California to near extinction, with the <u>Sinaloa Cartel</u> playing a major intermediary role by subsidizing gill nets for fishermen and selling their catch to Chinese traders and trafficking organizers.

Gill Nets and Bycatch

Gill net fishing inevitably generates <u>bycatch</u>—the incidental capture of non-target sea life. In the Gulf of Mexico, lanchas often <u>abandon</u> their deployed gill nets when detected and pursued by the U.S. Coast Guard, which then continue to entangle and kill <u>sea turtles, marine mammals, sailfish, mackerel,</u> and other <u>protected</u> species. In one notable incident, the U.S. Coast Guard discovered a <u>five-mile-long gill net</u>. Illegal gill nets also pose a <u>substantial</u> IUU challenge in <u>Florida's</u> territorial waters.





KEY PARTNERS & ACTIVITIES

Regional & International

There is a Regional Fishery Management Organization (RFMO) that encompasses the entirety of the Gulf of Mexico, but there are also various government agencies, trade agreements, intraregional entities, international bodies, and non-governmental organizations that facilitate environmental policy and combat IUU fishing in the Gulf, including:

- Gulf of Mexico Fishery Management Council
- Mexican National Commission of Aquaculture and Fishing
- International Maritime Organization
- <u>United States-Mexico-Canada Trade Agreement</u>
- The Food and Agriculture Organization of the United Nations
- The Community of Latin American and Caribbean States
- The Organization of American States
- International Chamber of Commerce (ICC) International Maritime Bureau (IMB)
- Seafood Alliance For Legality and Transparency

United States

The U.S. Coast Guard is responsible for fishery law enforcement and preventing IUU fishing in U.S. Gulf of Mexico waters, but several other agencies operate IUU portfolios. All activities are guided by strategic guidance and existing legal frameworks. Examples include:

- National Security Memorandum 11 (NSM-11) on Combatting IUU Fishing and Associated Labor Abuses
- National Strategy for Combatting IUU Fishing
- Department of State Bureau of Oceans and International Environmental and Scientific Affairs
- Department of State Office of Marine Conservation
- Department of Treasury Office of Foreign Assets Control
- National Oceanic and Atmospheric Administration (NOAA) Southeast Regional Office
- U.S. Southern Command (USSOUTHCOM)
- Maritime Security and Fisheries Enforcement (SAFE) Act
- Interagency Working Group on IUU Fishing & Subworking Group Report on Gulf of Mexico IUU Fishing
- Coast Guard Illegal, Unreported, and Unregulated Fishing Strategic Outlook
- Magnuson-Stevens Fishery Conservation and Management Reauthorization Act of 2006 (MRSA)
- Gulf of Mexico Alliance

