

Testimony of Lora Snyder
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before the

Subcommittee on Interior, Energy, & Environment
House Committee on Oversight and Government Reform

on

EXAMINING THE REGULATION OF SHARK FINNING IN THE UNITED STATES
November 2, 2017

Introduction

Good morning, Mr. Chairman and members of the committee. Thank you for giving me the opportunity to testify before you today on the issue of shark fin trade enforcement.

My name is Lora Snyder. I'm the director of Oceana's Sharks and Responsible Fishing Campaigns. Oceana is the largest international advocacy organization dedicated solely to ocean conservation. We advocate for science-based policies that will restore the ocean's abundance and biodiversity. I appreciate the committee holding a hearing on shark conservation and the role the United States is playing in the global shark fin trade.

Oceana is supportive of efforts in Congress to conserve shark populations, including the Shark Fin Sales Elimination Act (SFSEA) which would prohibit the sale and possession of shark fins in the United States. The SFSEA will remove the United States from the global fin trade, prohibit imports of fins from countries that have no anti-finning regulations in place, improve enforcement of the current finning ban in the United States, and reinforce the status of the United States as a leader in shark conservation.

Background

As predators, sharks play vital roles in ecosystems all around the world. They occupy the upper tiers of many food chains and are often the sole predators of certain marine reptiles, marine mammals, seabirds and even other sharks.¹ Some species also help keep coral reefs healthy by

¹ Ferretti F, Worm B, Britten GL, Heithaus MR and Lotze HK (2010) Patterns and ecosystem consequences of shark declines in the ocean: Ecosystem consequences of shark declines. Ecology Letters. doi: 10.1111/j.1461-0248.2010.01489.x

cycling nutrients via their waste, removing invasive species, and cleaning up the reef by scavenging.²

Although sharks play critical roles in the ocean ecosystem, some species are now in serious trouble. Some shark populations have declined by more than 90 percent,³ and if more action is not taken, other populations could share a similar fate. Using models, some studies have predicted that a decrease in shark populations is not only potentially damaging to the ocean ecosystem, but also could hurt commercial fishers, as their target species become depleted due to the unchecked growth of mid-level predators.⁴

These declines are disturbing for those in the diving and tourism industry. A recent report found that shark-related dives in Florida generated more than \$221 million in revenue and fueled over 3,700 jobs in 2016.⁵ This stands in stark contrast to the shark fin industry in the United States which exported less than \$1 million worth of fins in 2016.⁶

This demand for shark fins is one of the main reasons for declines in shark populations around the world. Every year up to 73 million sharks end up in the global fin trade.⁷ The demand for these fins fuels shark finning – the act of slicing the fins off a shark and dumping its body back at sea where it will drown, bleed to death, or be eaten alive by other fish. This shark fin trade is devastating. New studies have revealed that 91.3% of the fins in the global fin trade are from unsustainable sources⁸ and fewer than 10 species in the Hong Kong fin trade have sustainably managed fisheries anywhere in their range.⁹

Congress took a major step to protect sharks from finning by enacting the Shark Finning Prohibition Act (SFPA) in 2000. This law banned shark finning and discarding the carcass at sea; barred the custody, control or possession of shark fins aboard fishing vessels without the

² Roff G, Doropoulos C, Rogers A, et al. (2016) The Ecological Role of Sharks on Coral Reefs. *Trends in ecology & evolution* 31: 395–407.

³ Ferretti F, Worm B, Britten GL, Heithaus MR and Lotze HK (2010) Patterns and ecosystem consequences of shark declines in the ocean: Ecosystem consequences of shark declines. *Ecology Letters*. doi: 10.1111/j.1461-0248.2010.01489.x

⁴ Ferretti F, Worm B, Britten GL, Heithaus MR and Lotze HK (2010) Patterns and ecosystem consequences of shark declines in the ocean: Ecosystem consequences of shark declines. *Ecology Letters*. doi: 10.1111/j.1461-0248.2010.01489.x; Okey T (2004) A trophic model of a Galápagos subtidal rocky reef for evaluating fisheries and conservation strategies. *Ecological Modelling* 172: 383–401. doi: 10.1016/j.ecolmodel.2003.09.019; Stevens J (2000) The effects of fishing on sharks, rays, and chimaeras (chondrichthyans), and the implications for marine ecosystems. *ICES Journal of Marine Science* 57: 476–494. doi: 10.1006/jmsc.2000.0724

⁵ <http://usa.oceana.org/press-releases/new-report-finds-shark-related-diving-generated-over-221-million-florida-2016>

⁶ <https://www.st.nmfs.noaa.gov/commercial-fisheries/commercial-landings/index>

⁷ Clarke SC, McAllister MK, Milner-Gulland EJ, et al. (2006) Global estimates of shark catches using trade records from commercial markets: Shark catches from trade records. *Ecology Letters* 9: 1115–1126. doi: 10.1111/j.1461-0248.2006.00968.x

⁸ Simpfendorfer CA and Dulvy NK (2017) Bright spots of sustainable shark fishing. *Current Biology* 27: R97–R98.

⁹ <http://onlinelibrary.wiley.com/doi/10.1111/cobi.13043/abstract>

corresponding carcass; and barred landing any shark fins without the corresponding carcass. The act also imposed a fin-to-carcass ratio standard that prohibited any fishing vessel from landing at a US port with shark fins whose weight exceeded 5 percent of the total weight of shark carcasses landed or on board.

To close loopholes and try to address the difficulty in enforcing the ineffective fin-to-carcass ratio in the Shark Finning Prohibition Act, Congress next enacted the Shark Conservation Act in 2010.

This law made the following activities illegal:

- To remove any of the fins of a shark (including the tail) at sea;
- To have custody, control or possession of any such fin aboard a fishing vessel unless it is naturally attached to the corresponding carcass;
- To transfer any such fin from one vessel to another vessel at sea, or to receive any such fin in such transfer, without the fin naturally attached to the corresponding carcass; or
- To land any such fin that is not naturally attached to the corresponding carcass, or to land any shark carcass without such fins naturally attached

However, the law did include an exemption for commercial fishing of smooth dogfish.

These two laws have increased protections for sharks in U.S. waters, but more needs to be done. Unfortunately, the law still contains loopholes, the United States continues to buy shark fins from countries without finning bans, and cases of finning are still being uncovered. Because of this, 12 states and 3 territories have passed laws banning the buying and selling of shark fins. In addition, several companies including airlines, shipping companies, and hotels have put policies in place against the selling and shipping of shark fins.

Imports and Exports

According to the National Marine Fisheries Service, the United States imported \$687,538 worth of shark fins and exported \$849,725 worth of shark fins in 2016.¹⁰ However, there are discrepancies between what the United States says it imports and exports as compared to what other countries are saying they are sending and receiving.

According to the report by the Food and Agriculture Organization (FAO) on the State of the Global Market for Shark Products, U. S. customs data is inconsistent with FAO import and export numbers. Major importers (Canada, China, Hong Kong SAR, Indonesia, Malaysia,

¹⁰ <https://www.st.nmfs.noaa.gov/commercial-fisheries/foreign-trade/applications/annual-trade-through-all-us-customs-districts>

Singapore and Taiwan Province of China) reported importing from the U.S. an average 71 percent higher volume of shark fins and 186 percent higher value of shark fins than what the U.S. reported it was exporting.¹¹

Similarly, the report found that major exporters (China, Hong Kong SAR, India, Indonesia, Malaysia, Singapore, Taiwan Province of China and Thailand) reported exporting more than seven times more shark fins by volume and three times higher by value than what the U.S. reported that it received from those countries.¹²

A major factor behind these discrepancies may be the incompatibility of commodity codes between countries. For instance, the U.S. used to only record trade in shark fins under one commodity code – “shark fins dried whether or not salted not smoked,” despite the fact that shark fins can be shipped frozen, raw, dried, or even pre-packaged. Just this year shark fins have been recorded as fresh, frozen or preserved.

The United States is actively importing fins from countries such as China that do not have comparable finning regulations to those in the United States. According to the National Marine Fisheries Service the United States has imported shark fins from 12 countries since 2010. They are Australia, Burma/Myanmar, China, Hong Kong, India, Indonesia, Italy, Japan, Netherlands, New Zealand, South Africa, and Spain. About 54 percent of these fins are from countries that do not have any finning bans. An additional 39 percent come from countries that only have species specific finning bans or fin-to-carcass ratios which are unenforceable. Together this means that about 93 percent of the fins we have imported since 2010 may be fished in a way that is illegal and unacceptable in U.S. waters.¹³

The problem only increases when you think about the disparities between the FAO statistics and the US customs information. It’s possible that more fins may be coming from unsustainable sources and are not being recorded by US customs.

The United States has stated that shark finning is abhorrent and against the law, yet we still import fins from countries that are actively finning, thereby creating economic incentives for the act to continue. Fins entering the United States have quite possibly been removed in a manner that is illegal in U.S. waters. Once a fin is in the United States, it is nearly impossible to tell if it came from an illegal or legal source.

Also, due to the difficulty in identifying shark species based on detached and processed fins, it is easy for threatened species to end up in the shark fin market. Indeed, genetic tests of fins

¹¹ Dent F and Clarke S (2015) State of the global market for shark products. Rome.Report No.: 590.

¹² Dent F and Clarke S (2015) State of the global market for shark products. Rome.Report No.: 590.

¹³ <https://www.st.nmfs.noaa.gov/commercial-fisheries/foreign-trade/applications/annual-trade-through-all-us-customs-districts>

confiscated by the National Oceanic and Atmospheric Administration identified prohibited, endangered or protected species such as the great white shark and the basking shark.¹⁴ The United States has deemed these species in need of protection, yet the fin trade provides a way for these species to continue to be bought and sold within United States borders.

A recent news story revealed that Chinese fishermen had been illegally fishing for sharks in the Galapagos, leading to the largest seizure of sharks, estimates of numbers in the thousands, in the history of the island.¹⁵ If the Chinese vessel had not been caught, it's possible that those fins could have entered the Chinese fin market and ultimately found their way to the United States.

State and Corporate Bans

To help make sure that no fins from finned sharks are being sold within their borders, 12 states (Hawaii, Oregon, Washington, California, Illinois, Maryland Delaware, New York, Massachusetts, Texas, Rhode Island, Nevada) and all three Pacific territories have banned the sale and trade of shark fins.

Private companies are also refusing to ship or sell shark fin products, including Amazon, GrubHub, many hotels and major airlines, Hong Kong Disneyland and multiple shipping companies. Fifty one percent of international airlines have now banned shark fins, based on seat capacity. Worldwide, 17 of the 19 biggest shipping lines measured by container capacity have banned shark fin, impacting 71 percent of the global market.¹⁶ However, as companies and states close the door on the shark fin trade, other doors remain open, and the market shifts accordingly.

For example, after California and Illinois enacted their bans, shark fin trade activity in the United States shifted primarily to Texas. Now that Texas has implemented its own shark fin trade ban, the trade in shark fins has begun to move to Georgia.¹⁷ The United States is engaging in a game of whack-a-mole, as the shark fin trade shifts in response to a growing patchwork of fin trade bans.

According to the NOAA database, there is a new troubling trend: shark fins are being imported into and exported out of states with fin trade bans, in a potential violation of state laws.

¹⁴ Magnussen JE, Pikitch EK, Clarke SC, et al. (2007) Genetic tracking of basking shark products in international trade. *Animal Conservation* 10: 199–207. doi: 10.1111/j.1469-1795.2006.00088.x; Shivji MS, Chapman DD, Pikitch EK and Raymond PW (2006) Genetic profiling reveals illegal international trade in fins of the great white shark, *Carcharodon carcharias*. *Conservation Genetics* 6: 1035–1039. doi: 10.1007/s10592-005-9082-9

¹⁵ <https://news.nationalgeographic.com/2017/08/wildlife-watch-galapagos-illegal-shark-fishing/>;
<http://blog.globalfishingwatch.org/2017/08/transshipment-involved-in-reefer-sentenced-for-carrying-illegal-sharks/>

¹⁶ <http://www.scmp.com/news/hong-kong/economy/article/2089229/chinas-biggest-airline-bans-shark-fin-cargo>

¹⁷ <https://www.st.nmfs.noaa.gov/commercial-fisheries/foreign-trade/applications/annual-trade-through-all-us-customs-districts>

The state of Texas ended the trade of shark fins in 2016 with a state-wide ban, becoming the first state in the Gulf of Mexico region to enact such a law. The law makes it illegal to buy, sell, or transport with the intent to sell shark fins. However, the National Marine Fisheries Service's Fisheries Statistics and Economics Division database on foreign trade indicates that through August 2017, \$476,698 worth of shark fins have been exported from Texas to Mexico.¹⁸

Likewise, \$6,636 worth of shark fins have been exported from the state of California to Costa Rica since January 1, 2017. The state law passed in 2011. In addition, \$408,000.00 worth of fins have entered the state of California from New Zealand this year.¹⁹

The state of New York passed a ban in 2013, but \$14,681 worth of shark fins have been exported from the state and \$39,046 worth have been imported from January 1, 2017 to August 2017.

The state of Washington passed a ban in 2011, but \$40,000 worth of fins have been exported over the same period.²⁰

The New York law has some exemptions which may account for the imports and exports in that state. However, since there is a lack of species-specific trade information, it is not clear which species are being exported and imported, and whether they are the exempted species.

Enforcement of Finning Regulations

An inquiry from Senator Booker's office has revealed that since January 1, 2010, NOAA has investigated 85 incidents involving alleged shark finning. Only 26 of those investigations have resulted in charges. Originally, Senator Booker's office was provided with information from NOAA that indicated that there were over 500 finning investigations in the United States since 2010, however, it was revealed that this information was a mistake on behalf of NOAA.²¹ Although the number is now 85 investigations of alleged shark finning, this is still 85 incidents too many – in just one of those incidents, more than 2000 fins were found in a hidden compartment on a boat.

¹⁸ <https://www.st.nmfs.noaa.gov/commercial-fisheries/foreign-trade/applications/annual-trade-through-all-us-customs-districts>

¹⁹ <https://www.st.nmfs.noaa.gov/commercial-fisheries/foreign-trade/applications/annual-trade-through-specific-us-customs-districts>

²⁰ <https://www.st.nmfs.noaa.gov/commercial-fisheries/foreign-trade/applications/annual-trade-through-specific-us-customs-districts>

²¹

https://apnews.com/1533c05f34274667907591b5f7c998c8?utm_campaign=SocialFlow&utm_source=Twitter&utm_medium=APEastRegion

In 2012 the Louisiana Department of Wildlife and Fisheries caught two men with 11 whole sharks and 2,073 shark fins, taken from another 518 fish. They were ordered to pay a \$45,000 fine to NOAA.²²

In Florida, wildlife officers found dozens of dismembered shark fins aboard a Key West shrimp boat in March 2017.²³

In January 2017, divers in West Palm Beach encountered dead sharks missing fins on one of their dives.²⁴

Any finning case is troubling because once a fin enters the market, it is impossible to tell if it came from a shark legally or illegally.

Conclusion

With previous legislation, the U.S. Congress has made its stance clear on the cruel and wasteful practice of shark finning. And yet, fins from finned sharks, even likely including fins from sharks that are threatened or endangered, are being bought and sold in the United States. Additionally, previous laws did not address the main problem: too many sharks are being killed, and one of the main factors for this is the demand for their fins – whether they are finned or taken to shore with their fins naturally attached. But this is a solvable problem. A national ban like the Shark Fin Sales Elimination Act (H.R. 1456) would solve many of the issues

As the U.S. has led the world in fisheries management, and in halting the trade of other trafficked products like ivory and rhino horns, so too should we reclaim our role as a leader and show the world that we will not contribute to the demand for fins. We should not participate in the trade of a product that incentivizes a brutal practice that is driving declines in populations of these beautiful and important fish.

²² http://www.nola.com/outdoors/index.ssf/2016/02/fishermen_plead_guilty_after_f.html

²³ <http://www.miamiherald.com/news/local/environment/article142029049.html>

²⁴ <https://www.youtube.com/watch?v=vcYJRUsR7jw>