



IUU Risk Intelligence

Putting Compliance First

GLOBAL EVALUATION OF FISHERIES MONITORING CONTROL AND SURVEILLANCE IN 84 COUNTRIES

PANAMA - COUNTRY REPORT

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IUU RISK INTELLIGENCE

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SUMMARY

*This evaluation of Fisheries Monitoring Control and Surveillance report for **Panama** is one of 84 such country evaluations that covers nations landing 92% of world's fish catch. Using a wide range of interviews and in-country consultations with both military and civilian agencies, the report exemplifies the best attempt by the author(s) at evaluation of MCS compliance using 12 questions derived from international fisheries laws. The twelve questions are divided into two evaluation fields, (MCS Infrastructure and Inspections). Complete details of the methods and results of this global evaluation would be published shortly through IUU Risk Intelligence website.*

Over a five-year period, this global assessment has been subjected to several cross-checks from both regional and global MCS experts familiar with compliance aspects in the country concerned. Uncertainty in assigning each score is depicted explicitly through score range. However, the author(s) are aware that gaps may remain for some aspects. The lead author remains open at any time to comments, and revisions will be made upon submission of evidence where necessary. Throughout the report, extreme precaution has been taken to maintain confidentiality of individuals who were willing to share information but expressed an inclination to remain anonymous out of concern for their job security, and information from such sources was cited as 'anonymous' throughout the report.

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PANAMA – COUNTRY REPORT



FAO landings (2013): 198,742 tonnes
Fisheries contribution to GDP (2011): 3.5%
Law of the Sea (Ratification/accession): 1st July 1996
Coastline: 2490 km
RFMO Membership: IATTC, ICCAT
Patrolling agencies: Servicio Nacional Aeronaval de Panamá (SENAN); ARAP



Rank	Priority for maritime security tasks
1.	Narcotics trafficking
2.	Human trafficking
3.	Organised Crime

SECTION 1: MCS INFRASTRUCTURE

1. Does the country have adequate surveillance infrastructure (patrol aircraft, sea-based patrol vessels and coastal patrols) to effectively patrol fisheries resources within its EEZ?

Score: 5

Score Range: 4-6

Yes, SENAN has enough capability for patrolling coastal jurisdictions (Jane 2012; Jane 2019; IISS 2013). Servicio Nacional Aeronaval de Panamá (Panamanian Air and Naval Service – SENAN) is well equipped to track and monitor activities within territorial waters. SENAN recently acquired one twin otter (*DHC-6 Series 400*) aircraft and 2 helicopters to boost maritime patrols (SENAN 2018a). SENAN has four CESSNA aircraft (*CESSNA C-152, CESSNA C-172, CESSNA C-208 B Grand Caravan, CESSNA T-210, and one Twin Otter DHC-6, PIPER PA-31, PIPER PA-34, C-S212-300 and BE-100 BEECH KING AIR*) aircraft for maritime patrol duties (SENAN 2018b). However, often only one or two aircraft are reportedly used for fisheries patrols.

SENAN activities are undertaken to control illegal drug trade rather than monitor fishing activities. Panama Maritime Authority (AMP) is the main government authority tasked with controlling fisheries resources. Radar surveillance is available for monitoring EEZ activities and is likely used as the main tool for monitoring vessel activities within the EEZ. Offshore patrol operations are based on intelligence data, where both fishing boats and other vessels are frequently boarded to track suspicious activities (Anon, *pers.comm.*, 2017).

2. Does the country have adequate trained officers to conduct MCS operations?

Score: 5

Score Range: 3-5

SENAN and AMP have shortage of officers for monitoring fishing activities. Although SENAN is more actively engaged in shore-based pre-departure inspections of fishing boats and boarding of trawlers at sea. Patrol boats and manpower are prioritized to intercept drug smugglers rather than fisheries violators. New fisheries regulations have not made sparse difference as declaring new laws has not been met with equal increase in placement of officers at fishing docks. More than 250 landing beaches/docks are used by artisanal fishing boats (Anon, *pers. comm.*, 2018).

Shortage of inspectors is reported due to budgetary limitations. ARAP has 84 fisheries inspectors, of which 79 are engaged in marine resources inspections and 5 inspectors are engaged in other duties (Andraka *et al.*, 2016).

No information is available on compliance or enforcement competence of these authorities in the marine fisheries sector.

3. Does the country have adequate management plans to monitor their fishing vessels on the high seas?

Score: 5

Score Range: 3-5

Existing information suggests that the country has limited capabilities in this direction although an operating VMS device and license are required for fishing vessels operating on the high seas (EU 2011). Executive Decree No. 162 of 6 June 2013, regulates license conditions for fishing and support vessels operating in international waters.

Some improvements have also been reported in recent years through new legislative amendments, penalties and cancellation of licenses for Panama flagged vessels engaged in illegal activities in foreign EEZs and RFMO waters, but overall the percentage of vessels that are penalized or flags de-registered remains low even under the new surveillance system. In the past, fishing vessels penalized for infractions on the high seas would just switch the flag and not even pay the fines (Anon, *pers. comm.*, 2018).

4. What proportion of fishing vessels above are equipped with vessel monitoring system (VMS) to monitor their movements on a continuous basis?

Score: 5

Score Range: 4-7

All industrial fishing boats are monitored through satellite-based vessel monitoring system; currently 275 vessels are being monitored through this system (ARAP 2011; ARAP 2019). ARAP Resolution-002 of 2007 requires all industrial vessels above 6 GRT to install a VMS transponder, and send signals while operating in both EEZ and on the high seas. However, the system suffers with flaws as national EEZ and high seas boundaries overlays are not done automatically in the system rendering identification of fisheries violations ineffective (EU 2011).



There are holes in the system such as being pretty blame for shrimper's violations while is very open eyes for longliners violations. This is because there are some links between current government and some shrimp brokers (Anon, *pers.comm.*, 2013).

5. What percentage of fishing vessels (>20 m OAL) are monitored through onboard observers at sea (for major commercial fish stocks)?

Score: 1.5

Score Range: 1-2

Available information suggests that Transshipment and transport reefers are required to carry observers under Article 16 of the Executive Decree No. 49 (EU 2011). However, when products are transshipped on the high seas or in foreign EEZ waters; there is little evidence to suggest that there is adequate supervision through mandated presence of observers. Suggested minimum requirements for tuna longline fleet operating in EEZ and high seas waters is 10-15 observers (IFOP 2018).

Tuna vessels carry observers under IATTC rules; some of them are Panama nationals. I think what lack control landings in foreign countries is, which is the most usual practice for Panama tuna fleet (Anon, *pers. comm.*, 2013).

A private industry led scientific observer scheme is planned for small pelagic purse seiners (Anon 2013a).

SECTION 2: INSPECTIONS

6. How often fishing vessels are inspected at sea (Identification by sight and boarding for inspections)?

Score: 4.5

Score Range: 3-5

SENAN carry out occasional fisheries patrols but their main priorities are to control drug trade; inshore waters are reportedly under more stringent surveillance, with occasional patrols beyond 24 nm up to EEZ boundary (EU 2011).

SENAN has active presence at major fishing docks and coastal landing sites to control trade of narcotics, vessel safety. The agency also conducts pre-departure inspections to seize illegal fishing gear (e.g trammel nets) and

landing of prohibited species during closed period is covered through special operations (Anon, *pers.comm.*, 2018).

7. How often fishing vessels are scrutinized through aerial patrols?

Score: 4.5

Score Range: 3-5

Helicopters have been used for patrols in coastal waters to prevent trawling in restricted areas. SENAN has actively pursued crimes at sea with the acquisition of new maritime patrol aircraft. However, due to lengthy coastline not all sections of the sea are covered (Anon, *pers.comm.*, 2018).

Aerial patrols were not reported for fisheries surveillance within the EEZ in previous studies (EU 2011).

8. How often are fishing vessels inspected at landing centers and docks for foreign and domestic vessels (Dockside monitoring)?

Score: 5

Score Range: 3-5

ARAP exerts enforcement of industrial prawn industry through controls on closed seasons, usage of TEDs, dockside inspections of fishing vessels and processing plants, etc. However, general fisheries inspections and unloading forms for other fishing vessels lack transparency in quantifying species, quantity and weight etc. at landings. Port authorities of AMP and ARAP DGIVC inspectors conduct fishery checks at ports, while national landings from industrial vessels are regularly checked; international vessels are seldom checked (EU 2011). Unauthorized entry into ports and transport of seafood is reported from fishing vessels that lack authorization, licenses and fishing gear onboard (Andraka *et al.*, 2016).

The recent European Commission (2019) report states that “*There are serious deficiencies in the implementation of the Port State Measures Agreement in order to prevent fish stemming from IUU fishing activities reaching national and international markets and to effectively prevent IUU vessels from receiving port services.*”

Small-scale fisheries are very poorly enforced and accounted. Panama has 20,000 artisanal fishermen (Anon, *pers. comm.*, 2013).

SENAN has assisted ARAP in conducting dockside inspections to improve vessel safety and prevent use of illegal fishing gear by smaller fishing boats. Panama has 13 commercial ports, of which Cristobal (handles more than 2.2 million vessels per year) and Balboa are the busiest in Latin America. Due to Panama Canal, amount of container and other commercial fishing vessel traffic is high, but port authorities do not have enough time and officers to



inspect commercial fishing vessels, and reefers (combination of problems like huge volume and low port berthing time) (Anon, *pers.comm.*, 2018).

There were two port visits to Cristobal port by IUU listed vessel Marta Lucia during 2009. 14 port calls were made between 2006 and 2009 by fishing vessels on the WCPFC and IATTC - IUU vessel lists to Panamanian ports of Cristobal, Balboa and Taboga island (PEW 2009). Panama ratified the FAO Agreement on Port State Measures to Prevent, Deter and Eliminate IUU Fishing on 21 November 2016.

9. Are there adequate plans to monitor catches in coastal areas through coastal patrols (beach patrols, small-scale fishing gear and catches inspections) on a regular basis?

Score: 4.5

Score Range: 3-5

SENAN has moderate presence at fishing docks to prevent use of illegal fishing gear and seize illegal catches. SENAN also has a very active at-sea presence to control vessel activities within MPAs, and prevent vessels operating in close areas. However, relative to the large coastline very limited inspections are reported in small-scale fisheries (FAO 2015; Andraka et al., 2016). See Guzman and Guevara (2002) document for more information. Illegal fishing violations are higher in the shrimp sector where closed seasons are implemented through regular checks on processing facilities; restaurants and fishing vessels, 4000 pounds of prawns and 77 nets were seized between January-June 2011 (EU 2011).

From 2013 to 2016, ARAP booked a total of 160 illegal fishing cases, of which 66 cases were resolved:

- 12 cases for illegal fishing by vessels flying the Panamanian flag in foreign jurisdictions;
- 2 cases for transshipment;
- 26 cases for fishing in closed season;
- 6 cases for use of prohibited fishing gear;
- 1 case for fishing without the corresponding permits;
- 4 cases for fishing in prohibited areas;
- 2 cases for fishing with an expired license;
- 2 for not reporting satellite monitoring signals;
- 6 cases for catches of prohibited species and;
- 4 cases for the incursion of foreign vessels in Panamanian jurisdictional waters.

10. Are all the catches that are caught in this jurisdiction at sea accounted for (i.e., unreported Trans-shipments at sea)?

Score: 5.5

Score Range: 5-7

In recent times, such violations are not reported for Panama flagged vessels (**Data deficient**). In the past, Panama flagged vessels have been identified for violating IATTC regulations in 2011 and 2012. In July 2019, Indonesia reported apprehension of Panama flagged vessel MV Nika which had a history of illegal fishing violations. Indonesia Aquatic Resources Authority of Panama (ARAP) has investigated 19 cases where Panama flagged vessels were identified for illegal tuna fishing on the high seas (Anon (2013b)). See Q.3, Q.8 & Q.9 for more information. Several AIS reporting anomalies and unreported transshipment violations have been documented for Panama flagged carrier vessels operating in WCPFC that need further scrutiny (PEW 2019). 57 transshipments are reported (9 transshipments in the port/EEZ waters and 49 on the high seas) in the WCPFC convention area in 2018 year (WCPFC 2019).

Offshore vigilance has been relatively low within the EEZ. Panama is a signatory to the UN Fish Stocks Agreement. Under new transshipment law ADM/ARAP No.008 of 7 March 2013, Cristobal and Vacamonte ports have been authorized for transshipments of fish products that are destined for international trade to EU. Trained inspectors are deployed for inspections at these ports. However, majority of Panama flagged vessels that operate on the high seas, land their tuna in foreign ports (Anon, *pers.comm.*, 2018).

Most of the artisanal landings of fish are not accounted sufficiently (grouper, snapper, mahi, tuna, weakfish, sharks, catfish, etc.). Landings statistics are very general and weak. Usually there is not register for effort. Logbooks are generally not mandatory (Anon, *pers.comm.*, 2013).

11. Are vessels required to undergo inspection of equipment and fishing gear for every fishing trip?

Score: 5.5

Score Range: 4-7

SENAN has a very active presence at sea and when illegal fishing gears are spotted, they are usually seized (*ARAP inspectors also retrieve and seize illegal fishing nets from coastal lagoons through regular monitoring operations*) including banned trammel nets detected in protected areas and coastal estuarine waters. Random fishing gear inspections are reported in the shrimp sector, with illegal gear often confiscated for such violations (EU 2011), but such inspections are not as rigorous for tuna vessels operating in offshore waters. See FAO (2015); PEW (2019) reports for more information.

Small-scale longliners are inspected to ensure they do not use mechanical devices (Anon, *pers. comm.*, 2013).

12. Has the country taken adequate measures to revise and implement national fisheries laws to curtail illegal fishing practices; and does it comply with national and international laws signed?

Score: 5.5

Score Range: 4-6

Decreto Ley No. 17 of 9 July 1959 is the main national legislation for fisheries management in Panama waters. The country is not a party to the FAO Compliance Agreement. Panama has implemented provisions in the UN Port State Measures Agreement through Law No. 43 of September 14, 2016. Panama ratified the UN Fish Stocks Agreement on 16 December 2008 and the UN Port State Measures Agreement on 21 November 2016. Under Executive Decree No. 98-A of November 17, 2009 a NPOA on IUU Fishing to fight and eliminate illegal fishing has been adopted. Executive Decree No. 161 of 6 June 2013 established new rules for control, surveillance and inspections of fishing and support vessel operations of Panama flagged vessels operating in foreign EEZs and on the high seas.

The European Commission gave a yellow card identification initially in 2012 and lifted it on October 2014; but re-issued an IUU risk warning¹ (yellow card) again in December 2019 for failing to ensure compliance with its international commitments as a coastal, flag, port and market State to control IUU fishing (EC 2019).

¹ The European Commission (2019) identification press release states “Law enforcement is affected by inefficient administrative procedures and a lenient approach towards infringements. As a result, there are significant delays in the imposition of sanctions and the sanctioning system is neither depriving the offenders from the benefits accruing from IUU fishing, nor deterrent. There are serious deficiencies in the implementation of the Port State Measures Agreement in order to prevent fish stemming from IUU fishing activities reaching national and international markets and to effectively prevent IUU vessels from receiving port services”.

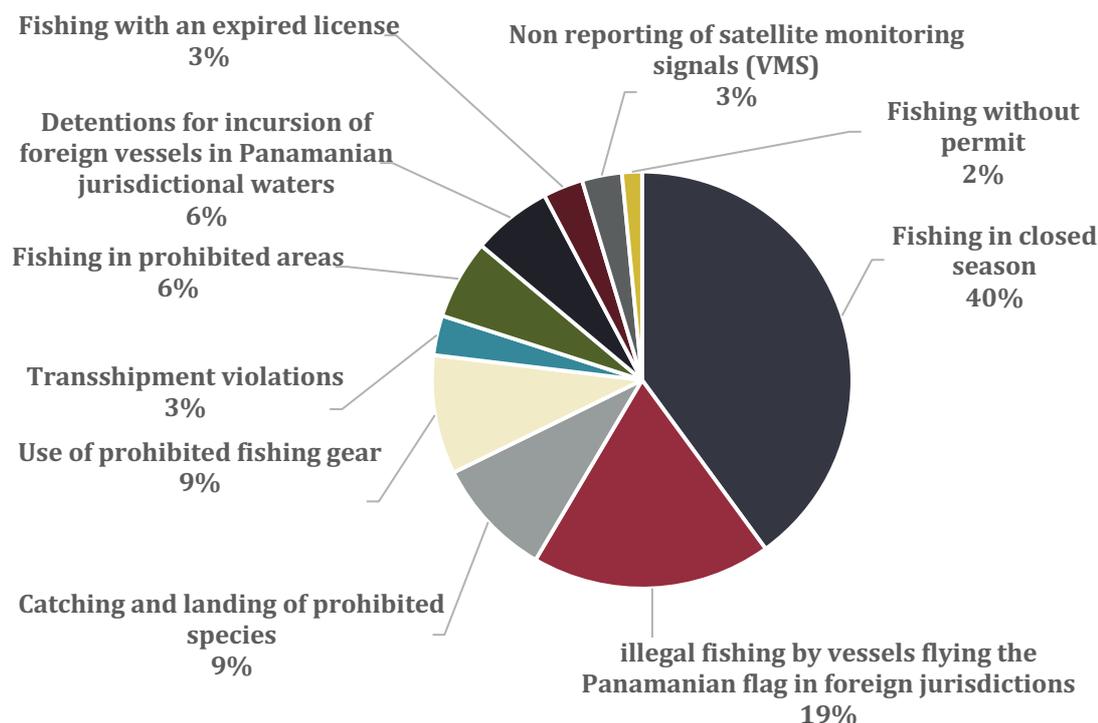


Figure 1: Details of resolved IUU fishing cases handled by ARAP (2013-2016). Source: Andraka et al., (2016).

See PEW (2019); Andraka et al., (2016); Curtis (2014); BBC (2014); Edeson and Pulvenis (2012); Spalding et al., (2015); FAO (2015) reports for more information.

Flag of Convenience	Yes	Source: ITF (2015)
Vessels on the RFMO - IUU vessel list	No	

RFMO	Year of the assessment	Compliant	Partially Compliant	Not Compliant	Source
IATTC	2013	Yes			IATTC (2014)
ICCAT	2013		Yes		ICCAT (2014a) ICCAT (2014b)

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Note:

Bibliography and other notes relevant to this country report including methods, results and discussion for the global evaluation of 84 countries would be released shortly through IUU Risk Intelligence website (<https://iuriskintelligence.com/>). (The author can be contacted at pramod.raju@gmail.com to provide any feedback).

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