POLICY IMPACTING SOUTH AFRICAN SHARKS & RAYS 2022

TRADE: SHARKS & RAYS

KEY MESSAGES AND RECOMMENDATIONS

Problem:

The international trade in shark products from South Africa comprises the export of meat and fins from both sharks and rays. The lack of species-specific customs trade data hinders the ability to interpret trade dynamics and trends against CITES trade data for listed shark and ray species. Comparative analysis of trade records reveals a number of concerning discrepancies, in particular what appears to be consistent under-reporting of shark product exports from South Africa. This may indicate trade in shark products sourced from illegal fishing or trading operations.

Recommendations:

1. Improve collaboration between the Department of Forestry, Fisheries and the Environment (DFFE) and South African Revenue Services (SARS) in monitoring exports of shark products.

2. Improve co-ordination between the Food and Agricultural Organisation of the United Nations (FAO) and DFFE to address discrepancies in data on shark catches for South Africa.

3. Improve collaboration between Australia and South Africa on the use of World Customs Organisation (WCO) Harmonised System (HS) codes to record the shark meat trade between the two countries.

4. Improve regulation of landings in South African ports and subsequent re-export of shark products from Foreign Flagged Vessels from Japan and Taiwan province of China.

5. Improve capacity and skills for the identification of shark products in trade.

6. Develop new HS tariff codes for shark products to improve monitoring of international trade.

TRADE:
SHARKS & RAYS

CONTEXT

Globally, there is growing concern over the impact of catches and subsequent trade on shark and ray populations. It is estimated that around 600,000 metric tonnes of shark products are traded each year to supply the global demand, primarily for meat and fins. This trade follows distinct pathways, based on supply and demand. For shark meat products, the supply chain takes diverse trade routes, dependent on regional preferences for particular species. Shark fins on the other hand follow a very focused trade route to East Asia.

The fins are the most valuable component of the majority of traded shark species. The strong economic incentives, fuelled by the high demand for shark fin soup in the Far East, drive the global legal and illegal trade in shark fins. The overfishing of sharks to meet the demand of shark products has led to considerable population declines across the world, with an increasing number of species listed as threatened (Vulnerable, Endangered or Critically Endangered) on the IUCN Red List.

Currently these Red List Assessments indicate that more than one third of all shark and ray species are threatened with extinction because of overfishing. This is particularly concerning because, as a group, sharks and rays are highly vulnerable to over-exploitation, as a result of their slow growth, late maturity and low reproductive output.

In South Africa, sharks are caught in various fisheries and generate income for the fishing and seafood trade sectors. In addition, the shark tourism industry provides an important source of income from visitors seeking interactions with sharks during the annual winter Sardine Run and with individual species, such as the white shark *Carcharodon carcharias* in the Eastern and Western Cape and the tiger shark *Galecerdo cuvier* in KZN. South Africa is internationally recognised as one of the global hotspots for sharks and rays, with high levels of diversity (nearly 200 species) and endemism. Therefore, it is vital to understand South Africa's role in the international shark trade and its impacts on the affected populations.

ABOUT THE STUDY

TRAFFIC is a leading non-governmental organisation working globally on trade in wild animals and plants in the context of both biodiversity conservation and sustainable development. It has an office in South Africa, which has strived to understand and quantify South Africa's role in international trading of shark meat and fins. It has sourced catch data from the Food and Agriculture of the United Nations (FAO) and the Department of Forestry, Fisheries, and the Environment (DFFE). Trade data was also sourced from the United Nations Commodity Trade Statistics Database (UN Comtrade).

STUDY RESULTS, CONCLUSIONS AND RECOMMENDATIONS

The pelagic longline fishery accounts for a high proportion of shark catches, primarily landing Endangered shortfin mako sharks *Isurus oxyrinchus* and Near Threatened blue sharks *Prionace glauca* as bycatch. The inshore hake trawl fishery takes a high diversity of sharks and rays, all as bycatch, including the Critically Endangered soupfin shark *Galeorhinus galeus* and the Endangered smoothhound shark *Mustelus Mustelus* and several skate species. The commercial line fishery had the highest number of 'unidentified' shark species, caught largely as bycatch. The demersal shark longline fishery is the only dedicated shark fishery in South Africa, primarily targeting soupfin, smoothhound and copper sharks *Carcharhinus brachyurus*.

In the study period 2010–2019 both the DFFE and FAO shark catch information from South Africa lacked species-specific information and contained aggregated or lumped data reported as 'rays and skates', 'stingrays and mantas' and 'shark species'. This lack of species-specific information is a major hinderance in monitoring the impacts of fishing on vulnerable species, particularly those found within these lumped groups, as an increasing number of shark and ray species are threatened with extinction according to the IUCN Red List and subject to CITES Appendix II trade restrictions. Each year reported catch volumes consistently differed between the two data sources, in that FAO reported significantly higher volumes of shark and ray catches for South Africa.

In South Africa, there is very little documented local consumption of shark products, and the trade is almost entirely exported. These products followed distinct pathways. Shark meat is primarily sent to Uruguay and re-exported to Brazil, where there is a high demand for shark meat. The Republic of Korea is also a top importer of shark meat from South Africa. Comparisons of South African quantities of shark and ray meat exports with corresponding global imports showed considerable discrepancies. In most cases South African export figures were lower than the reported global imports.

Despite South Africa having no domestic market for shark meat, world exports to the country were significantly higher every year than reported South African imports. There was no evidence in the data to suggest that imported shark meat was being re-exported. However, most of the shark meat exports to South Africa were reported by Japan and Taiwan PoC, and most likely reflect shark landings in South African ports by Japanese and Taiwanese fishing vessels, which then store the product in bonded warehouses (transit) prior to re-export. South Africa, in accordance with the World Customs Organization (WCO) guidelines on international trade, is likely not recording these shipments as imports.

Shark fins were primarily exported to the Far East for the luxury dried seafood market, where shark fin soup is considered a delicacy and a symbol of wealth. The top importers of dried shark fins from South Africa included Hong Kong Special Administrative Region of China (SAR), Singapore, Japan and Macao (SAR). The shark fin trade reflected similar reporting discrepancies as the shark meat trade, with South Africa reporting lower volumes of exports in comparison with reported global imports from South Africa. The under-reporting of export volumes may be reflecting illegal consignments of shark fins leaving South Africa undetected. There have been a number of shark fin seizures in South Africa and in other countries where South Africa was indicated as the country of origin, transit or destination. Most of the seizures were related to the export of shark fins without the relevant CITES export permits, or the mis-declaration of shark fin consignments as other products. The issues and challenges detailed in this report highlights the need for greater traceability of shark products in South Africa.

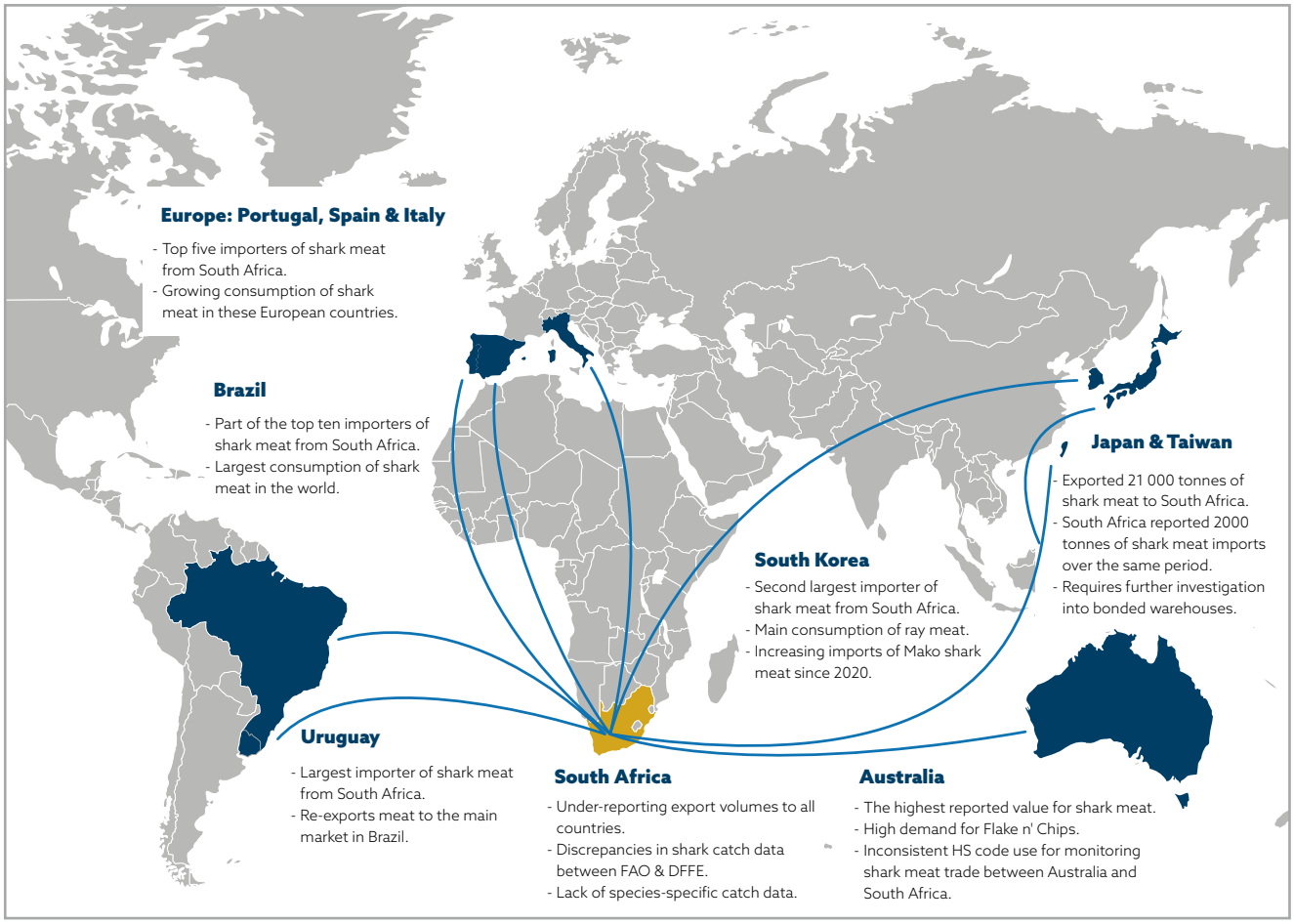

Figure 1: The major importers of shark meat from South Africa and key issues linked to the trade (2011-2020)

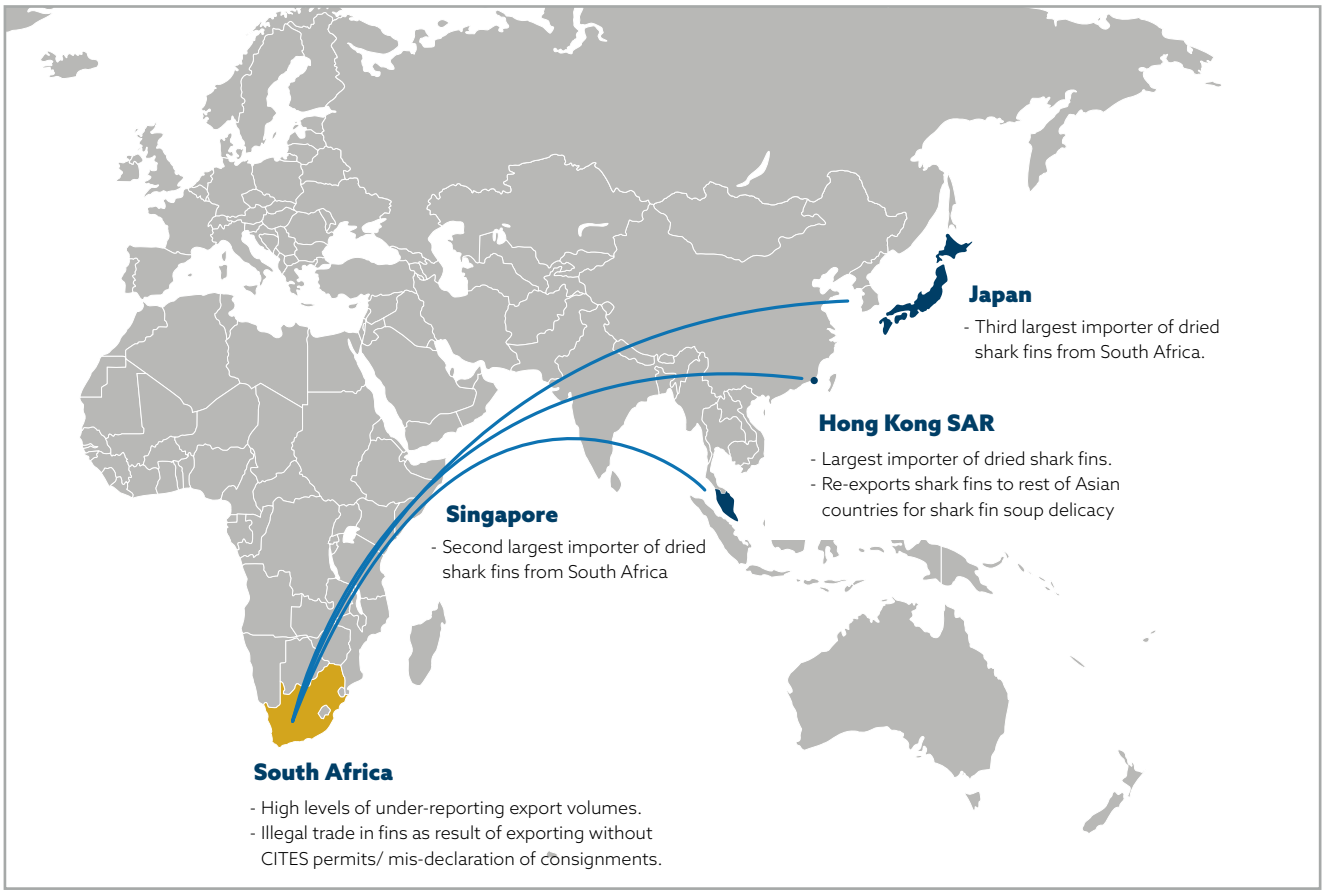

Figure 2: The major importers of shark fins from South Africa and key issues linked to the trade (2011-2020)

RECOMMENDATIONS

1

Improve collaboration between the Department of Forestry, Fisheries and the Environment (DFFE) and the South African Revenue Services (SARS) in monitoring exports of shark products.

This is aimed at addressing the discrepancies in South African shark product trade records. Of particular concern is the under-reporting of exports, as documented by SARS, when compared with DFFE catch figures.

2

Improve co-ordination between the Food and Agricultural Organisation of the United Nations (FAO) and DFFE to address discrepancies in data on shark catches for South Africa.

This is aimed at addressing the discrepancies in the data, both in terms of species composition and mass, reported by the two institutions on South African shark exports as well as imports to South Africa.

3

Improve collaboration between Australia and South Africa on the use of World Customs Organisation (WCO) Harmonised System (HS) codes to record the shark meat trade between the two countries.

Australia is a prime market for smoothhound and soupfin sharks caught in the South African demersal longline and commercial linefisheries. The Australian Government and the South African Department of Forestry, Fisheries and the Environment (DFFE) should investigate the HS tariff codes used in both countries to monitor the shark meat trade, as there is no consistency in the reporting of South African exports and corresponding Australian imports.

4

Improve regulation of landings in South African ports and subsequent re-export of shark products from Foreign Flagged Vessels from Japan and Taiwan Province of China.

DFFE and SARS are urged to investigate the high volumes of frozen shark meat exports to South Africa as reported by Japan and Taiwan. These products are caught by FFEs from Japan and Taiwan which then dock in South African ports. It is assumed, but not confirmed, that these consignments have subsequently been re-exported from South Africa.

5

Improve capacity and skills for the identification of shark products in trade.

The illegal shark fin trade in South Africa should be tackled through increased awareness and engagement with law enforcement and customs agencies. This needs to be backed up with extensive on-going training of customs, fisheries, and port officials in the identification of shark fins in trade, with an emphasis on CITES-listed, protected or threatened species. The identification of fins, once removed from a shark or a ray, is not an easy process.

6

Develop new HS tariff codes for shark fins and meat to improve monitoring of international trade.

SARS is urged to develop new HS tariff codes for shark meat and fins to improve monitoring of international trade from South Africa. More specifically, HS codes which detail:

- Mako and blue shark products, which are the main species entering the international trade from and through South Africa, bearing in mind that the mako is a CITES-listed species.
- Soupfin and smoothhound shark products, which are the main species targeted by the demersal longline fishery.
- Dried shark fins, to improve monitoring of fins exported from South Africa to the Far East - the leading destination for such imports.

CONCLUSION

This study identified concerning inconsistencies and information gaps along the South African export supply chain for both meat and fins. Robust traceability systems have the potential to address these issues. Traceability systems can also support the administrative, scientific and compliance processes associated with the implementation of CITES regulations in the international trade in shark products. They play a strong role in ensuring that shark products are sourced from legal and sustainably managed fisheries.

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