

Fisheries crime

CASE STUDY

7

COMMODITIES INVOLVED

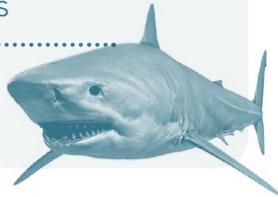
Shark fins and illicit drugs

CONVERGENCE TYPOLOGY

Diversification of commodities

GEOGRAPHIC REGION

North America and East Asia



In September 2020, the multi-agency investigation Operation Apex was initiated by the USFWS and the DEA under the umbrella of the Organised Crime Drug Enforcement Task Force. It targeted and shutdown an international syndicate that was allegedly engaged in trafficking shark fins from Mexico to Hong Kong SAR, drug trafficking in the United States, and money laundering. The indictment in Operation Apex charged 12 defendants and two businesses with drug trafficking conspiracy, money laundering conspiracy, and conspiracy to commit wire fraud and mail fraud.³⁵

Shark finning is the practice of catching sharks at sea, cutting off their fins and throwing the injured shark back into the ocean to die. Shark fins are one

of the most valuable seafood products and mostly used in shark fin soup, a popular delicacy in many parts of Asia. Shark finning is estimated to account for around 73-100 million shark deaths per year.

The conspiracy began as early as 2013. It is alleged the defendants operated a business in California dealing in shark fins smuggled from Mexico, in violation of U.S. federal and state law, which then exported multi-tonne shipments of dried shark fins to Hong Kong SAR. The defendants also purportedly used a seafood front business in Florida, where under state law licensed dealers are permitted to trade in shark fins under certain conditions. Fake invoices and paperwork were created to make it appear that the Florida business was invoicing and financing the shark fin business and dozens of bank accounts were used to hide the millions of dollars in proceeds. During the operation, agents also seized 18 totoaba swim bladders. The totoaba is a large, critically endangered fish found only in the Gulf of California in Mexico, and its swim bladder is also a highly valuable product in the Asian black market.³⁶

The network members were also allegedly shipping hundreds of kilograms of marijuana inter-state from California. The indictment claims that couriers were paid shipping fees to take bundles of USD 1-2 million in cash, or sometimes smaller amounts, to be laundered. The proceeds from the shark fin and drug trafficking were deposited into third-party business accounts that dealt in gold, precious

³⁵ <https://www.justice.gov/usao-sdga/press-release/file/1313441/download>

³⁶ <https://www.justice.gov/usao-sdga/pr/international-money-laundering-drug-trafficking-and-illegal-wildlife-trade-operation>

metals, and jewels, located in the United States, Mexico, and Hong Kong SAR, to hide the illegal activities.

This case demonstrates the benefits that a multi-agency investigation can bring to effectively address all aspects of crime convergence when a criminal network is dealing in diverse illicit commodities.



*Image 10: Shark fins and totoaba swim bladders were among the items seized.
Credit: U.S. Attorney Southern District of Georgia.*

GOOD PRACTICE

- **Multi-agency investigation** enabled collaboration between specialised law enforcement agencies and brought together the expertise and resources needed to tackle crime convergence in this case.
- **Use of alternative legislation** that can be applied to the criminal scenario where relevant, to tackle transnational, organised wildlife crime. It is notable that although shark fin trafficking was a significant part of the offending of this criminal network, the charges in the indictment related to drug trafficking and other ancillary offences.
- **Financial investigation** conducted in parallel to the predicate offence to identify any associated money laundering offences, payment methods, and the proceeds of crime to facilitate asset recovery.

INTERVENTION STRATEGY FOR FUTURE CONSIDERATION

- **International cooperation and controlled delivery** to identify and further investigate network members who are located in other countries and involved further along the supply chain in buying and distributing the illicit commodities.