ABOUT WWF

WWF is one of the world’s most respectable conservation organizations, with a network active in more than 100 countries. Founded in 1961 with headquarters based in Switzerland, WWF’s mission is to build a future in which humans live in harmony with nature, by:

- Conserving the world’s biological diversity
- Ensuring that the use of renewable natural resources is sustainable
- Promoting the reduction of pollution and wasteful consumption

WWF-Hong Kong has been working since 1981 to deliver solutions for a living planet through Conservation, Footprint and Education programmes.

In support of our global mission, WWF-Hong Kong’s vision is to transform Hong Kong into Asia’s most sustainable city where nature is conserved, carbon pollution is reduced, and consumption is environmentally responsible.

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FOREWORD

Everyone on Earth has a connection with sharks. Sharks are one of the ocean’s top predators and are often feared by people, but I am not referring to this emotional connection. The connection I speak of is physical and very real: sharks are crucial to maintaining the stability and integrity of the marine food chain, the oceanic web of life which sustains our planet and everything which lives on it, including you and I.

There are over 1,000 species of sharks, rays and related species known to science, but due to the huge demand for shark products worldwide, such as shark fin in Asia, as many as one quarter of these species are now threatened with extinction. WWF-Hong Kong is determined to reverse this tide. In 2007, we began our Shark Fin Initiative and since then, through various campaigns and community engagement efforts, the Hong Kong people have become much more aware of the importance of reducing shark fin consumption.

We have made great strides: the Hong Kong government has issued an internal ban on shark fin for official dining; leading hotels across the city have banned shark fin in their restaurants and numerous corporations have enacted policies which prohibit the consumption, trade and promotion of shark fin. WWF-Hong Kong is working to continue these gains by further reducing shark fin consumption in Hong Kong and diminishing the global shark fin trade by engaging key stakeholders along the supply chain. Some 25 airlines have now banned the carriage of Shark Fin. Building on this success, in 2015, we began working closely with a vital group: global shipping companies. These companies are so important because the latest Hong Kong trade statistics reveal that 92 per cent of shark fin by volume were imported into the city by them.

Transporting shark fin is a risky business. Due to complex international regulations, shipping companies may unknowingly carry fins from threatened shark species, or even shark fins from illegal sources. Shark fin carriage poses many environmental, legal, and even reputational risks. Our engagement with shipping companies has so far been extremely positive and encouraging: 16 of the top 20 global shipping companies, which together represent over 60 per cent of the market, have now imposed a total ban on the shipping of shark fin. We applaud and support this industry leadership.

WWF-Hong Kong encourages all shipping companies to become part of the solution to this global challenge by imposing a ban on shark fin carriage. Together, we can transform Hong Kong from being the world’s shark fin capital into a shark fin-free city and bring much-needed stability back to the world’s oceans.

Edward M. Ho
Chairman of the Executive Council of WWF-Hong Kong
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* as of March 2016
1. EXECUTIVE SUMMARY

Sharks are the oceans’ top predators. Without them, the global marine ecosystem would collapse. Regardless, rampant shark fishing is putting global shark populations in danger. Hong Kong is the world’s most significant trading hub for shark fin, accounting for about 50 per cent of the global shark fin trade annually. According to figures obtained from the Hong Kong Census and Statistics Department, 92 per cent of shark fin by volume was imported into Hong Kong by ocean in 2015. To better understand the role shipping companies play in shark fin carriage and to work with them on this issue, WWF-Hong Kong conducted research into the shark fin carriage record of various shipping companies between mid-2014 and December 2015. WWF-Hong Kong also approached the top 20 global container/liner operators (i.e. shipping companies that operate container and liner services. These are abbreviated to “shipping companies” for the purposes of this report) between April 2015 and March 2016, surveying them in order to better understand the status of their current shark fin carriage policies and position.

The results show that 16 shipping companies have established policies that prohibit the carriage of shark fins. Eight of these, namely Maersk Line, Mediterranean Shipping Company (MSC), Hapag-Lloyd, Hamburg Süd Group, MOL, Hyundai Merchant Marine (HMM), OOCL and APL had announced these policies on their official website as of March 2016. Although many stated that their companies understand the environmental, reputational and legal risks of carrying shark fins, four shipping companies have yet to establish “no shark fin” carriage policies, namely CMA CGM Group (CMA CGM), Evergreen Line, COSCO Container Line (COSCON), and CSCL.* This inconsistency is creating logistical challenges for the shipping industry, as containers are often passed from one shipping company to another during their journey.

Shark fin carriage is not purely an environmental issue, it also involves numerous legal issues. Studies by United Nations Office on Drugs and Crime have linked the shark fin trade to other illegal trade activities. Governments around the world are developing regulations on shark fin consumption, shark fin trade and shark fisheries. To avoid exposure, it is essential for shipping companies to fully understand the changing national and international legal landscape so as to ensure the legality of their cargo.

Ignorance of shark fin cargo can also bring with it certain reputational risks. Corporate Social Responsibility (CSR) is an important element of modern business. By and large, most companies are happy to discuss CSR and transparently show the public, their clients and their staff how they address their social responsibilities through their business operations. Carriage of shark fin exposes shipping companies to negative CSR-related risks.

To more effectively implement “no shark fin” carriage policies, some shipping companies have begun adopting best practices. These include improving their company’s existing booking screening system and being more alert for “high-risk” or “suspicious” shippers.

Considering the risks involved in shark fin carriage, WWF-Hong Kong recommends that all shipping companies:

A. Set up a “no shark fin” carriage policy
B. Publicly announce this “no shark fin” carriage policy
C. Follow best practices set out by industry leaders

* COSCON and CSCL formed the “China COSCO Shipping Corporation limited” in February 2016.
Sharks play an important role in the oceans, they are top-down controllers of coastal and oceanic ecosystem structure and function.
2. INTRODUCTION

2.1 SHARKS - THE OCEANS’ TOP PREDATORS

Unique biology

There are over 1,000 species of chondrichthyes, including sharks, rays and chimaeras. They have existed on Earth for over 400 million years, even before dinosaurs walked our planet. Today, many species of shark are top predators in the world’s oceans. They feed on reef fish, squid, crabs, lobsters and shrimp; while some pelagic or oceanic sharks feed on larger fish, other sharks, turtles, seals and penguins. However, the three largest species of pelagic shark – the whale shark, the basking shark and the megamouth shark – are all filter feeders which mainly eat plankton.

Sharks mature late, have long gestation periods and relatively few offspring. Their unique biology means that their population growth rate is low and these populations are slow to recover when their numbers are depleted. A 2014 study estimated that one quarter of sharks and related species are threatened, and their overall risk of extinction is substantially higher than most other vertebrate species.¹

Vitally important to the marine ecosystem

Sharks play an important role in the oceans; they are top-down controllers of coastal and oceanic ecosystem structure and function. The loss of sharks, as with the loss of any apex predator, will affect the abundance of other species, creating imbalances which tend to damage the health of ecosystems. A decade-long monitoring study in Australia published in 2013 revealed that reductions in shark populations can produce a cascading effect along reef food chains, which can impede the recovery of coral reefs. The study highlights the importance of sharks in increasing reef resilience to natural disturbances.²

Coral reef is an important habitat for many species, such as Grey reef sharks (*Carcharhinus amblyrhynchos*), Phoenix Islands, Kiribati
2.2 Threats Faced by Sharks

Overfishing

The primary threat to sharks and related species is overfishing. Compounding this threat is the fact that most shark fisheries are poorly regulated.

Overfishing occurs when fish are caught in numbers which exceed their natural reproduction rate. Sharks are caught over a wide range of fisheries around the world and their populations, like any other harvested marine fish — or indeed any natural resources — are not inexhaustible. Sharks are harvested primarily for their fins and meat and are often traded internationally. Between 2000 and 2011, the average annual global capture of chondrichthyan fish amounted to 805,644 tonnes.

One-third of sharks and rays are subject to targeted fishing and are caught intentionally; but sharks are also a common “by-catch”, which means they are not the target species being fished but are caught unintentionally alongside the target species. Unwanted by-catch is usually discarded; but sometimes it is deemed “incidental or secondary catch” and landed, as these catches “are used to a similar extent as the target species or are sometimes highly valued or at least welcome when the target species is absent”. Sport fishing for sharks is also common in some countries including the United States and Australia.

The biological characteristics of certain species of sharks and related species make them particularly vulnerable to overfishing. In some regions like the east coast of the United States, populations of certain sharks have crashed by more than 95 per cent. A study published in 2014 concluded that one-quarter of the sharks, rays and chimaeras (another type of chondrichthyan fish) are threatened by overfishing.
Apart from “true sharks”, a small number of other chondrichthyans such as guitarfish, shovelnose rays and sawfish have fins that are valued as highly as shark fins. The fins of sawfish are particularly prized and have contributed to this family of rays becoming the most endangered of all chondrichthyans.

Unfortunately, sharks are frequently caught up in illegal, unreported and unregulated (IUU) fishing activities. Unregulated catches, the misidentification of species, unrecorded catches, aggregated catches, or catches being discarded at sea are commonplace. Compounding matters, even if sharks are being fished in legal, reported and/or regulated fisheries, this still does not guarantee that these fisheries are properly managed.

Challenges presented by international trade

On average, about 100 million sharks are killed annually around the world. This shocking statistic represents a serious global threat which has driven governments and international bodies to begin to take action.

In 2012, forty-one marine scientists from around the world wrote an open letter drawing attention to the urgent necessity of conserving sharks and stating the international shark fin trade for their decline. The scientists emphasized that “the shark fin trade, as it currently stands, is NOT sustainable” saying that “the shark fin trade should therefore be viewed as a major driver of global shark fishing activities, which are often unmanaged and conducted in an unsustainable manner.”

Governments around the world have begun establishing domestic regulations on shark fisheries, and on the trade and consumption of shark products. The International Plan of Action for Conservation and Management of Sharks (IPOA-SHARKS) was formed in 1999 with a mission to conserve and manage sharks and ensure their long-term sustainability.

Sharks are also being recognized by international trade conventions. The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) has moved few shark species into its “Appendix II,” which allows international trade in the listed species only if relevant documents are provided. This signals increasingly high-level recognition of the role international trade is playing in driving many shark species towards extinction.

While the international trade in shark products is becoming more regulated, many practical challenges still exist. For example, determining the identity of a shark species by looking at skinless shark fins is very difficult, as morphological features can be ambiguous. Species identification challenges like these create enormous difficulties in ensuring the legality of shark fins on the open market. Legal issues like these will be discussed in depth in Section 4 of this report.
3. SHIPPING COMPANIES AND SHARK CONSERVATION
3.1 HONG KONG, SHIPPING COMPANIES AND SHARK CONSERVATION

For many years, shark fin consumption has been part of the tradition and culture of Chinese communities around the world. Shark fin is a common dish at important celebrations like weddings, birthdays and other festive gatherings. Shark fins are available in most major cities in China, and many of these transit through Hong Kong: according to best available data, Hong Kong accounts for about 50 per cent of the global shark fin trade annually. Between 2000 and 2011, Hong Kong’s average annual shark fin import volume was 10,480 metric tonnes, making the city the world’s top importer of shark fins. Although in recent years shark fin consumption in Hong Kong has shown a declining trend, the city remains a major global trade hub and a significant end market for shark fin.

Rising awareness among the general Hong Kong public of the role of shark fin soup in driving the depletion of shark populations can be traced back to at least the late 1990s. The University of Hong Kong and the Hong Kong and Shanghai Banking Corporation (HSBC) were some of the first institutions to introduce policies forbidding the consumption of shark fin at official functions. The profile of the issue was further raised when environmental groups successfully persuaded the newly-opened Hong Kong Disneyland not to sell shark fin soup at wedding functions. WWF-Hong Kong launched its on-going shark fin advocacy campaign in 2007 by introducing a “No Shark Fin Corporate Pledge”.
Shipping companies transport the majority of shark fin products into Hong Kong

Shark conservation and negative impacts brought by shark fin consumption are now a high-profile global environmental issue. Many airlines have officially recognized this issue and have begun to enact responsible policies. As of the time of writing, about 25 airlines had publicly announced “no shark fin” carriage policies’. In 2012, Cathay Pacific banned unsustainable shark fin carried as cargo which led to a revolutionary change in the industry. Many other airlines then followed suit, including Emirates, Aeromexico and Air New Zealand; all of which imposed a total ban on shark fin cargo over the subsequent few years. In August 2015, the courier companies UPS and DHL announced bans on shark fin shipments. While there appears to be significant momentum in addressing the shark crisis in the air cargo sector; the fact remains that most shark fin imported into Hong Kong is actually carried by sea.

According to the Hong Kong Census and Statistics Department, cross border trade transportation falls into four categories, namely “Air”, “Land”, “Ocean” and “Others”. In 2015, 92 per cent of shark fin* by weight were imported into Hong Kong via “Ocean”. This statistic alone underlines the critical role of global shipping companies in the shark fin trade. The graph below reveals the breakdown of shark product shipments to Hong Kong, categorized by the various transport modes.

HONG KONG SHARK PRODUCTS IMPORTS BY YEAR AND TRANSPORTATION MODE

<table>
<thead>
<tr>
<th>YEAR</th>
<th>OCEAN</th>
<th>AIR</th>
<th>LAND</th>
<th>OTHERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>92%</td>
<td>8.0%</td>
<td>0%</td>
<td>0.1%</td>
</tr>
<tr>
<td>2014</td>
<td>88.3%</td>
<td>11.6%</td>
<td>0%</td>
<td>0.1%</td>
</tr>
<tr>
<td>2013</td>
<td>85.0%</td>
<td>14.9%</td>
<td>0%</td>
<td>0.2%</td>
</tr>
<tr>
<td>2012</td>
<td>84.5%</td>
<td>14.0%</td>
<td>0.3%</td>
<td>1.2%</td>
</tr>
<tr>
<td>2011</td>
<td>83.0%</td>
<td>16.3%</td>
<td>0.1%</td>
<td>0.6%</td>
</tr>
<tr>
<td>2010</td>
<td>82.1%</td>
<td>17.1%</td>
<td>0.2%</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

* Within “91.9%” volume of non-shark fin product is insignificant. Throughout this report, we will use “92%” of shark fin came “by ocean” in 2015.

Source: Census and Statistics Department of the Hong Kong government
Examples of airline and courier “no shark fin” carriage policies

**DHL’s Official Statement Regarding Their Ban on Shark Fin Carriage**

“DHL does not accept for carriage, animals, animal products or derivatives of animals that are known or suspected of being gained by unlawfully killing the animals or that have been gained in violation of any national or international animal welfare act (e.g. shark fins). Regardless of the circumstances, DHL will not accept them for transport.”

DHL

**Cebu Pacific Bans Shark Fin Carriage**

“The Philippines’ leading carrier, Cebu Pacific announced that the airline no longer accepts carriage of shark fin. The airline has formalized a freight policy for immediate implementation and strict compliance across Cebu Pacific stations. The ban also extends to meals inflight or during corporate events. Cebu Pacific does not serve shark’s fin soup inflight or at corporate events or meals organized and hosted by the airline.”

Cebu Pacific
3.2 HOW WWF-HONG KONG ENGAGES SHIPPING COMPANIES

To better understand the role shipping companies play in shark fin supply chains, WWF-Hong Kong conducted research into shark fin carriage operations between mid-2014 and December 2015. Researchers were deployed in the Sheung Wan area of Hong Kong Island, where most shark fin traders and retailers are based. They took notes on container information as shark fin products were offloaded; this information was then used to trace the shipping companies involved. Desktop research on bills of lading uploaded on trading websites was undertaken to collect details on shipping companies' records of shark fin carriage. When combined, these research techniques helped identify the shipping companies involved in shark fin carriage.

In addition, between April 2015 and March 2016, WWF-Hong Kong undertook an industry survey of the global top 20 shipping companies (based on existing fleet and order book TEU capacity available on board operate ships) to understand their involvement with shark fin carriage, the presence or absence of company "no shark fin" carriage policies and their views on establishing such policies. Their ranking and market share were based on the figures obtained from the "Alphaliner Top 100" list on 14 December 2015. In-depth dialogues were also carried out with selected shipping companies, forwarders, legal professionals and experienced front-line staff in the logistics sector, the purpose being to identify the shipping industry's role and understand their perspectives on the shark fin trade and shark conservation.

**Bills of Lading (BOL)**

"This is the official legal document that represents ownership of cargo; the negotiable document to receive cargo; and, the contract for cargo between shipper and carrier."

World Shipping Council

Normally, a bill of lading (BOL) contains the following information: cargo departure date, arrival date, the shipper's name (i.e. the consignor, exporter or seller), the consignee's name (i.e. the person or organization to which something is consigned or shipped or the receiver), the vessel name, and a description of the commodity. The information contained on a BOL can indicate a shipping company’s involvement in shark fin carriage. Such cases will be discussed further in Section 5 of this report.
3.3 SHARK FIN CARRIAGE STATUS OF THE TOP 20 SHIPPING COMPANIES

After WWF-Hong Kong approached the global top 20 shipping companies to determine their shark fin carriage status, they gave the responses summarized in the following table.

As of March 2016, neither COSCON nor CSCL had responded with details of their “no shark fin” carriage policies, however there were records of shark fin shipments by these companies (details provided in Section 5). In this connection, CMA CGM and Evergreen Line still carry shark fin which are with relevant CITES document.

Table 1:

<table>
<thead>
<tr>
<th>GLOBAL RANKING</th>
<th>COMPANY NAME</th>
<th>OPERATOR’S SHARE OF THE WORLD LINER FLEET (IN TEUS)**</th>
<th>COUNTRY IN WHICH THEIR HEADQUARTERS ARE LOCATED</th>
<th>HAS “NO SHARK FIN” CARRIAGE POLICY</th>
<th>POLICY SET UP DATE</th>
<th>POLICY ANNOUNCED DATE</th>
<th>STILL CARRIES SHARK FIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Maersk</td>
<td>14.8%</td>
<td>Denmark</td>
<td>✓</td>
<td>Since 2010</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>MSC</td>
<td>13.3%</td>
<td>Switzerland</td>
<td>✓</td>
<td>Effective since 21 January 2016</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>CMA CGM***</td>
<td>8.9%</td>
<td>France</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Evergreen Line***</td>
<td>4.7%</td>
<td>Taiwan</td>
<td>✓</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>5</td>
<td>Hapag-Lloyd</td>
<td>4.6%</td>
<td>Germany</td>
<td>✓</td>
<td>Since 2013</td>
<td>September 2015</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>COSCO Container Lines (COSCON)*</td>
<td>4.3%</td>
<td>China</td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>7</td>
<td>CSCL*</td>
<td>3.4%</td>
<td>China</td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>8</td>
<td>Hamburg Süd</td>
<td>3.2%</td>
<td>Germany</td>
<td>✓</td>
<td>Implemented for several years</td>
<td>November 2015</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Hanjin Shipping</td>
<td>3.1%</td>
<td>South Korea</td>
<td>✓</td>
<td>Exact date not provided</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>MOL</td>
<td>2.8%</td>
<td>Japan</td>
<td>✓</td>
<td>18 May 2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>OOCL</td>
<td>2.7%</td>
<td>Hong Kong</td>
<td>✓</td>
<td>15 February 2016</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>API</td>
<td>2.7%</td>
<td>Singapore</td>
<td>✓</td>
<td>July 2015</td>
<td>21 March 2016</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Yang Ming</td>
<td>2.7%</td>
<td>Taiwan</td>
<td>✓</td>
<td>August 2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>NYK Line</td>
<td>2.6%</td>
<td>Japan</td>
<td>✓</td>
<td>1 April 2016</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### 3. Shipping Companies and Shark Conservation

<table>
<thead>
<tr>
<th>Global Ranking</th>
<th>Company Name</th>
<th>Operator's Share of the World Liner Fleet (in TEUs)**</th>
<th>Country in Which Their Headquarters Are Located</th>
<th>Has &quot;No Shark Fin&quot; Carriage Policy</th>
<th>Policy Set Up Date</th>
<th>Policy Announced Date</th>
<th>Still Carries Shark Fin</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>UASC</td>
<td>2.4%</td>
<td>United Arab Emirates</td>
<td>✓</td>
<td>Exact date not provided</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>HMM</td>
<td>1.9%</td>
<td>South Korea</td>
<td>✓</td>
<td>13 November 2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>&quot;K&quot; Line</td>
<td>1.9%</td>
<td>Japan</td>
<td>✓</td>
<td>May 2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>PIL (Pacific International Line)</td>
<td>1.8%</td>
<td>Singapore</td>
<td>✓</td>
<td>Implemented for a long time</td>
<td></td>
<td>Strengthen its position with a further broadcast to the PIL network which strictly rejects any shark fin carriage bookings as of 1 January 2016</td>
</tr>
<tr>
<td>19</td>
<td>ZIM</td>
<td>1.7%</td>
<td>Israel</td>
<td>✓</td>
<td>Exact date not provided</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Wan Hai Lines</td>
<td>1.0%</td>
<td>Taiwan</td>
<td>✓</td>
<td>June 2015</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Based on the "Alphaliner Top 100" figures as of 14 December 2015

** TEU = an imexact unit of cargo capacity, generally measured as a 20-foot long container and referred to as a Twenty-foot Equivalent Unit (TEU)

*** Carry shark fin which are with relevant CITES document

* COSCON and CSCL formed the "China COSCO Shipping Corporation Limited" in February 2016.
4. RISKS ASSOCIATED WITH SHARK FIN CARRIAGE
Many shark species are threatened with extinction, with only a few protected by international conventions. As such, identifying and differentiating between threatened and non-threatened and protected and non-protected species of shark presents a significant challenge for carriers and poses a number of legal and environmental risks. In addition, the general sentiment of societies around the world is now much more supportive of shark conservation. If a shipping company continues to generate profits through unsustainable shark fin carriage, they may attract unwanted public attention and negative sentiment. Together, these environmental, legal and reputational risks may well result in an economic loss for a company.

4.1 ENVIRONMENTAL RISKS

“Preserving marine biodiversity” is often high on the list of priorities in shipping companies’ Corporate Social Responsibility statements and reports. Shipping companies can take proactive action to protect and preserve the ocean by restricting shark fin cargo.

“...sustainability is an indispensable part of Hamburg Süd’s corporate philosophy. This includes a strict refusal to transport shark fins – of any kind whatsoever.”

**Hamburg Süd**

As of March 2016, 16 of the global top 20 shipping companies have committed to "no shark fin” carriage policies. Based on 13 pieces of written feedback in WWF-Hong Kong’s survey, 46 per cent of the respondents acknowledged that environmental concerns provided some of the main reasons for establishing a "no shark fin” carriage policy. Hamburg Süd for example, cited sustainability as their “corporate philosophy” and was their reason for refusing shark fin shipments; while MOL acknowledged growing concerns about protecting the environment and endangered species as their motivation for placing an embargo on shark fin shipping. Most progressive shipping companies have now expanded their marine protection activities from an initial focus on only reducing pollution to selecting the type of cargo they accept for carriage.

**Trade in Threatened species**

“...With the growing concerns for the protection of the environment and endangered species, effective immediately, MOL Liner will reinforce its own official policy to place an embargo on the shipping of shark fin (products, raw materials, or processed materials).”

**MOL Liner Ltd.**

As of 2015, 181 shark and related species were listed as Threatened by the International Union for the Conservation of Nature Red List (abbreviated to the “IUCN Red List”). However, the vast majority of these sharks are not subject to measures which regulate international trade in their products, as only eight shark species are listed in CITES appendices.
IUCN RED LIST OF THREATENED SPECIES AND SHARKS

The IUCN Red List of Threatened Species provides information and analysis on the status, trends and threats to various species of plants and animals, in order to inform and catalyze action on biodiversity conservation. Species listed as “Critically Endangered”, “Endangered” and “Vulnerable” on the IUCN Red List are also collectively referred to as “Threatened” species.

As of 2015, there were over 1,000 shark and related species on the Red List. Of these, 181 shark and related species were “Threatened”, while 496 shark and related species could not be assessed due to insufficient information, yet had a high potential of becoming “Threatened”.

IUCN Red List

As a dramatic illustration of Hong Kong’s major role in the global shark fin, the fins of at least 10 shark species listed as “Threatened” on the IUCN Red List have been found in Hong Kong (please see Table 2).

<table>
<thead>
<tr>
<th>SPECIES NAME</th>
<th>COMMON NAME</th>
<th>IUCN RED LIST STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alopis pelagicus</td>
<td>Pelagic Thresher</td>
<td>Vulnerable</td>
</tr>
<tr>
<td>Alopis superciliosus</td>
<td>Bigeye Thresher Shark</td>
<td>Vulnerable</td>
</tr>
<tr>
<td>Alopis vulpinus</td>
<td>Common Thresher Shark</td>
<td>Vulnerable</td>
</tr>
<tr>
<td>Carecharhinus longimanus</td>
<td>Oceanic whitetip</td>
<td>Vulnerable</td>
</tr>
<tr>
<td>Carecharhinus obscurus</td>
<td>Dusky Shark</td>
<td>Vulnerable</td>
</tr>
<tr>
<td>Carecharhinus plumbeus</td>
<td>Sandbar Shark</td>
<td>Vulnerable</td>
</tr>
<tr>
<td>Isurus oxyrinchus</td>
<td>Shortfin mako</td>
<td>Vulnerable</td>
</tr>
<tr>
<td>Sphyhra lewini</td>
<td>Scalloped hammerhead</td>
<td>Endangered</td>
</tr>
<tr>
<td>Sphyhra mokarran</td>
<td>Great hammerhead</td>
<td>Endangered</td>
</tr>
<tr>
<td>Sphyhra zygaena</td>
<td>Smooth hammerhead</td>
<td>Vulnerable</td>
</tr>
</tbody>
</table>

In September 2014, the World Green Organization obtained several samples of shark fins which were found on the retail market. Genetic testing confirmed the presence of the Smooth hammerhead shark (Sphyhra zygaena) in these samples; a species listed as “Vulnerable” on the IUCN Red List.
In 2014, WWF-Hong Kong conducted a Shark Fin Consumption Survey of the catering sector\(^9\), in which respondents shared their views about what constituted “popular” and “good quality” shark fin products. One of the examples given was “qing lian” (清連). Given the popularity of “qing lian” in local restaurants, it is very likely that this type of fin has been traded in considerable volume in Hong Kong for some time. Since 92 percent of shark fin is imported into Hong Kong via ocean, there is an extremely high chance that shipping companies are involved in carrying this type of fin as cargo. Scientific papers have determined that “qing lian” is most likely the fin of the Shortfin mako shark\(^8\), a species which is also listed as “Vulnerable” on the IUCN Red List.

There is therefore considerable evidence that shipping companies without “no shark fin” carriage policies are likely to be contributing to the further decline of globally threatened shark species by facilitating the international trade in their parts.

### 4.2 LEGAL RISKS

The increasing number of regulations placed on the trade in shark products is beginning to create difficulties in identifying and distinguishing between legal and illegal products. Shipping companies are obliged to obey domestic laws as well as pay close attention to developments and changes in international regulations, leading to an increasingly complex legal environment for global companies.

> “The Hong Kong Liner Shipping Association (HKLSA) is committed to [ensuring that] its members conduct their business lawfully and in a responsible manner. Members have been made aware of the issue of declining shark populations, and [the fact] that Hong Kong serves as a hub for the global shark fin trade.

> Therefore, Members of the HKLSA would like to jointly affirm that they support efforts to curtail the illegal carriage of shark fin and related products on board their vessels.”

---

**HKLSA Shark Fin Policy**

Governments around the world have established domestic regulations on shark fisheries and the trade and consumption of shark products. A few shark species listed on CITES also now have the international trade of their products regulated.

---

**CITES**

CITES came into existence in 1975, with a mission to ensure that the international trade in wild animals and plants does not threaten their survival. CITES regulates the international trade in species by including them into one of its three appendices. Parties to CITES, generally government representatives from participating countries, meet every three years to discuss a variety of issues, including the inclusion of new species into CITES appendices and to vote on proposals to amend the appendices during meetings such as the Conference of the Parties.

CITES “raises the legal bar” for the products included in the convention. CITES-traded shark products will have been legally caught, and will usually be more sustainable than much of the shark fin currently sold on the market – which includes fins from poorly-managed, unsustainable and even illegal fisheries.

At the same time, only 8 shark species are listed in the CITES appendices, a fact that seriously under-represents the worldwide crisis which threatened sharks currently face.
Domestic regulations

**COSTA RICA PROHIBITS EXPORT OF THREE SPECIES OF HAMMERHEAD SHARK FINS AND MEAT FOR ONE YEAR**

“Based on the recommendation of the Scientific Committee of the National System of Conservation Areas (SINAC), Costa Rica will impose a one-year moratorium on the export of fins and meat of three species of hammerhead sharks.”

In recent years, governments around the world have gradually been issuing guidelines and enacting domestic regulations designed to conserve sharks. Shark finning, for example, is now banned in many countries and states, while others have formulated regulations on shark fisheries, trade and consumption. Some examples are given in Table 3 below:

<table>
<thead>
<tr>
<th>COUNTRY/STATE</th>
<th>YEAR</th>
<th>SUMMARY OF REGULATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Congo (Brazzaville)</td>
<td>2001</td>
<td>Ban on shark fishing97</td>
</tr>
<tr>
<td>French Polynesia</td>
<td>2006</td>
<td>Since 2006, all sharks except Mako sharks are fully protected throughout the entire French Polynesia Economic Zone. In December 2012, the Mako was also protected, making the French Polynesia EEZ the world’s largest sanctuary for sharks30.</td>
</tr>
<tr>
<td>Maldives</td>
<td>2009</td>
<td>Announced a ban on all reef shark fishing from 1 March 2009. A total ban on all shark fishing, capture, killing or extraction from Maldivian waters was imposed as of 15 March 2010. The Whale shark (<em>Rhincodon typus</em>) has been a protected species in the Maldives since 24 June 199530.</td>
</tr>
<tr>
<td>Palau</td>
<td>2009</td>
<td>Created a “shark sanctuary” that banned all commercial shark fishing in its waters30.</td>
</tr>
<tr>
<td>USA</td>
<td>Since 2010</td>
<td>Some US states such as Washington, Oregon and New York have established regulations on shark fisheries and the trade and consumption of shark products. The Scalloped hammerhead (<em>Sphyraena lewini</em>) is protected by the US Endangered Species Act44.</td>
</tr>
<tr>
<td>Republic of the Marshall Islands</td>
<td>2011</td>
<td>Ban on shark fishing, created a shark sanctuary44</td>
</tr>
<tr>
<td>Bahamas</td>
<td>2011</td>
<td>Ban on all shark fishing, and a ban on the sale and trade of shark products44.</td>
</tr>
<tr>
<td>China</td>
<td>2012</td>
<td>Committed to banning shark fin products at official receptions in 2012. Issued guidelines in 201544.</td>
</tr>
<tr>
<td>Brunei</td>
<td>2013</td>
<td>The domestic sale, import and trade of shark products is prohibited45.</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>2013</td>
<td>No shark fin, Bluefin tuna or black moss will be on the menu at official entertainment functions45.</td>
</tr>
<tr>
<td>India</td>
<td>2014</td>
<td>Prohibited shark fins export45 and import45.</td>
</tr>
<tr>
<td>Indonesia</td>
<td>2014</td>
<td>Banned the export of Oceanic whitetip sharks and Hammerhead sharks from Indonesia’s national territory. These species can still be traded on the domestic market45.</td>
</tr>
</tbody>
</table>

*Based on publicly-accessible information, valid as of February 2016*
Illegal trading of shark fin is not uncommon

Many shark regulations are aimed at specific species. Unscrupulous shippers can easily mix legal and illegal shark fin products together as they go about their business.

THE PROTECTION OF ENDANGERED SPECIES OF ANIMALS AND PLANTS ORDINANCE, CAP. 586

Hong Kong is a signatory of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). In Hong Kong, the legislation which supports CITES obligations is “The Protection of Endangered Species of Animals and Plants Ordinance, Cap. 586.”

According to the Hong Kong Customs and Excise Department, in 2015 there were 395 smuggling cases related to CITES-controlled species. These cases involved air, land and sea transport, of which two were cases of shark fin being smuggled by sea in Hong Kong waters. This highlighted that shipping companies must pay attention for the legality on shark fin shipment.

Illegal shark fin shipments had been detected in many countries since late 2014, with many of them involving various species of Hammerhead sharks. The reasons for this are that Hammerheads are relatively common in the market and that three Hammerhead species are now included in CITES Appendix II. Below are the details of four cases which are relevant to Hong Kong in late 2014, 2015 and early 2016:

ILLEGAL SHARK FINS FOUND IN A SHIPMENT FROM COSTA RICA TO HONG KONG

In November 2014, a sample of three sacks of shark fins were inspected, taken from a total cargo of 30 sacks. In the sample, the fins of Hammerhead sharks and Oceanic whitetip sharks were found. The cargo was destined for Hong Kong, but was halted in Costa Rica for checks.

The export of these two shark species is illegal in Costa Rica. Firstly, the Inter American Tropical Tuna Commission (IATTC) had banned the catch, retention, transport, landing and commerce of the Oceanic whitetip shark. Secondly, Hammerhead sharks (*Sphyrna lewini, S. mokarran, S. zygaena*) are listed under CITES Appendix II with strict regulations that the shippers had not followed. Costa Rica is bound by both IATTC and CITES.

3.5 TONNES OF ILLEGAL SHARK FINS SEIZED HEADING FROM MEXICO TO HONG KONG

3.5 tonnes of illegal shark fins and 529 kilos of sea bass swim bladders were found in a container at the Pacific coast port of Manzanillo, Mexico on 10 October 2015. It was confirmed that Hong Kong was the destination of these illegal fins. According to a news report, “the seizure was made because the shipper did not present documents confirming the legal provenance of the products or authorization for harvesting the animal parts.”

20 TONNES OF ILLEGAL SHARK FIN FOUND IN INDONESIA, BOUND FOR HONG KONG

In January 2016, 352 packages of shark fins stored in a 40-foot container were found at a container terminal in Surabaya, Indonesia. While the export declaration claimed that the cargo was “frozen fish bellies”, the cargo was actually a huge number of fins from Hammerhead sharks and Blue sharks, with Hammerhead sharks being a protected species in Indonesia. These shark fins were going to be delivered to Hong Kong, but were intercepted by Indonesian authorities.
46 KG OF SUSPECTED DRIED SMOOTH HAMMERHEAD SHARK FIN S WERE FOUND AT HONG KONG AIRPORT

On 7 March 2016, Hong Kong Customs seized about 46 kilograms of suspected dried shark fins of Smooth Hammerhead Sharks in an unclaimed bag at Hong Kong International Airport. The case was handed over to the Agriculture, Fisheries and Conservation Department for further investigation.

The illegal shark fin trade forms part of the extensive global illegal wildlife trade. The 2014 yearbook of the United Nations Environment Programme lists the staggering value of this trade:

“Illegal trade in animals, plants (including timber and charcoal) and fish is one of the largest sources of criminal earnings in the world – ranking alongside the trafficking of drugs, people and arms. Today, illegal wildlife trade is estimated to be worth US$50-150 billion per year. The global illegal fisheries catch is valued at US$10-23.5 billion a year and illegal logging, including processing, at US$30-100 billion”.

A 2013 study by the United Nations Office on Drugs and Crime also stated that “International demand for shark meat, fins and medicinal products is the driving force of a lucrative trade that is often illegal and is endangering a growing number of shark species around the world”.

The following case exemplifies the huge international network involved in the trafficking of shark fins:

SHARK FIN TRAFFICKING

In May 2015, the Ecuadorian government seized about 200,000 shark fins which were to be illegally exported to Asia. Nine properties were raided and six people were arrested. José Serrano, the country’s interior minister stated that Ecuador had “dealt a major blow to an international network that trafficked [in] shark fins”.

Given the large number of domestic and international regulations and the fact that they are continuously being strengthened, it is no surprise that some shipping companies expressed concerns about the challenges inherent in keeping track of and implementing these regulations so as to avoid being unintentionally involved in illegal business transactions.
4.3 REPUTATIONAL RISKS

Saying “no” to shark fin is perceived as being environmentally friendly

PRINCE WILLIAM’S PUBLICLY SUPPORTS AIR NEW ZEALAND’S MOVE TO BAN SHARK FIN CARRIAGE

“Some members of the private sector are already leading the way. Air New Zealand recently set an important precedent on the transport of wildlife parts by banning the carriage of all shark fins on its planes - whether or not it was legally obtained. Many other airlines followed their lead, and although this was perhaps a simpler ban to implement as all shark fins require a permit, it does demonstrate the powerful role that the private sector can play in interrupting the supply chain, if they choose to do so.”

The Duke of Cambridge’s speech on the illegal wildlife trade at the World Bank in Washington D.C. given on 8 December 2014

Nowadays, people around the world are much more conscious of environmental issues. News of “no shark fin” policies being established by airlines has been widely reported globally, receiving high praise from many stakeholders. According to a Singaporean and a Malaysian shark fin consumption surveys released earlier by WWF, 81 per cent of Singaporean respondents were aware of environmental concerns regarding shark fin, while 85 per cent of Malaysian respondents had reduced shark fin consumption in the face of rising public concern about shark protection. In Hong Kong, not eating shark fin is now equated with being environmentally friendly.

Serving shark fin soup at banquets was once perceived in the Chinese community as a gesture of respect and a way for a host to demonstrate their wealth. As a result of collective campaigning and tireless educational efforts by environmental groups and other stakeholders, the preference for eating shark fin in Hong Kong has drastically declined. According to the Survey on Shark Consumption Habits and Attitudes in Hong Kong released in April 2015, 70 per cent of respondents had either reduced their consumption or entirely stopped consuming shark fin soup in the past five years; 81 per cent of these people cited environmental concerns as the driver of their decisions. This echoes a WWF-Hong Kong survey indicating that hotels and clubhouses banned serving shark fin stating that “environmental concerns” as the most significant reason.

Corporations are also coming to the table. Large banks such as HSBC and Bank of China have signed WWF-Hong Kong’s “No Shark Fin Corporate Pledge”, promising not to consume shark fin soup at official receptions. Hong Kong’s two major theme parks, Hong Kong Disneyland and Ocean Park, also do not offer shark fin dishes. In addition, the Hong Kong government issued a ban on the consumption of shark fin at official dinners in 2013, stating that “The items have aroused international and local concern because they are either captured or harvested in ecologically unfriendly or unsustainable ways, or cause other conservation concerns”.
A survey indicated that **70%** of Hong Kong people reduced or stopped consuming shark fin in the past five years.

Source: Survey of Shark Consumption Habits and Attitudes in Hong Kong, April 2015**
Shark-free banquets have become more popular in Hong Kong over the past few years. This photo shows a wedding banquet decoration stating “Thanks for choosing shark-free menu.”
**Avoiding public relations crises**

All of the global top 20 shipping companies are highly motivated and active in developing their corporate social responsibility policies. These policies help to explain how a company’s business operations reflect their core values and social responsibilities to the company’s clients, staff and the general public. A company which facilitates the shark fin trade may be perceived as facilitating unsustainable business practices and an unsustainable lifestyle; as well as running counter to global opinions which favour the conservation of the natural world. A truly “green” company will be alert to the risks inherent in the carriage of shark fin.

One way for shipping companies to avoid potential criticism and embarrassment in the eyes of the public or green groups is by setting up a “no shark fin” carriage policy. Being “urged to change” is not ideal in terms of public relations. The following examples, though focused on airlines, are certainly relevant to shipping companies:

**PHILIPPINES AIRLINES STOPPED CARRYING SHARK FIN ONLY AFTER THE MEDIA EXPOSED AN INCIDENT**

In April 2014, in Sheung Wan, Hong Kong, a green group discovered 136 sacks of shark fins labelled “PAL” (PAL is an acronym for Philippines Airlines). The fins weighed an estimated 6,5 tonnes and originated in Dubai. According to an analysis by green groups, Dubai was a trans-shipment centre where shark fins from areas with ineffective fishery management enforcement were consolidated.

This story came out and attracted local and global media coverage. An online petition was established and the incident was shared over social networks, even going “viral” at one point.

A week later, Philippines Airlines committed to stopping the carriage of shark fin.

**178,534 SIGN PETITION URGING LOGISTIC GIANTS TO BAN SHARK FIN PRODUCTS**

In early 2015, an online petition initiated by shark conservationists urged the global shipping company UPS to stop shipping shark fins. The campaign eventually collected 178,534 signatures. On 18 August, UPS banned shark fin shipments.

**ENVIRONMENTAL-WHISTLE-BLOWERS**

Nowadays, everyone can be whistle-blowers of corporate misbehaviour. When illegal wildlife trade is witnessed, one can send tip-offs to their governments, relevant authorities or even international organizations such as INTERPOL and Freeland. The Government Accountability Project (GAP) provides relevant support for such investigation.

Since many shark fisheries are poorly managed and shark fin sourced illegally is not uncommon, shipping companies need to commit to and implement “no shark fin” carriage policies to avoid reputational risk resulting from environmental-whistle-blowers, including the staff of their companies.
5. SHIPPING COMPANIES’ "NO SHARK FIN" CARRIAGE POLICIES
5.1 “NO SHARK FIN” CARRIAGE POLICIES ANNOUNCED BY SHIPPING COMPANIES

Several leading shipping companies have established “no shark fin” carriage policies and have announced these policies on their websites.

<table>
<thead>
<tr>
<th>Company</th>
<th>Policy Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MAERSK</strong></td>
<td>MAERSK – DOES NOT CARRY SHARK PRODUCTS (market share: 14.8%*)</td>
</tr>
<tr>
<td></td>
<td>“Maersk Line will not accept cargo booking of whale or whale products nor shark meat or shark products.”</td>
</tr>
<tr>
<td><strong>MSC</strong></td>
<td>MSC – DOES NOT CARRY SHARK PRODUCTS (market share: 13.3%*)</td>
</tr>
<tr>
<td></td>
<td>“As part of MSC’s ongoing commitment to preserving the marine environment, the company has placed an embargo on any consignment containing shark fins or other shark-related products, with immediate effect. The World Wildlife Fund (WWF) has informed us that [the] consumption of shark-related products, which are a culinary delicacy in some countries, is threatening already endangered species.”</td>
</tr>
<tr>
<td><strong>HAPAG LLOYD</strong></td>
<td>HAPAG LLOYD – DOES NOT CARRY SHARK PRODUCTS (market share: 4.6%*)</td>
</tr>
<tr>
<td></td>
<td>“…Hapag-Lloyd categorically refuses to transport whale or dolphin meat, shark fins as well as any products made from them.”</td>
</tr>
<tr>
<td><strong>HAMBURG SÜD</strong></td>
<td>HAMBURG SÜD – DOES NOT CARRY SHARK PRODUCTS (market share: 3.2%*)</td>
</tr>
<tr>
<td></td>
<td>“…Furthermore, sustainability is an indispensable part of Hamburg Süd’s corporate philosophy. This includes a strict refusal to transport shark fins – of any kind whatsoever.”</td>
</tr>
<tr>
<td><strong>MOL</strong></td>
<td>MOL – DOES NOT CARRY SHARK FIN (market share: 2.8%*)</td>
</tr>
<tr>
<td></td>
<td>“…With growing concerns for the protection of the environment and endangered species, effective immediately, MOL Liner will reinforce its own official policy to place an embargo on the shipping of shark fin (products, raw materials, or processed materials).”</td>
</tr>
</tbody>
</table>
5. SHIPPING COMPANIES’ “NO SHARK FIN” CARRIAGE POLICIES

OOCL - DOES NOT CARRY SHARK PRODUCTS
(market share: 2.7%*)

“In our commitment to sustainability and best practices in the industry, we would like to inform you that OOCL will not accept cargo bookings for whale, shark, and dolphin, and their related products with immediate effect.”

APL - DOES NOT CARRY SHARK FIN
(market share: 2.7%*)

“We are glad to announce that with immediate effect, APL will be adding dolphin and whale to the list of endangered species products which we already do not accept carriage, including shark fin, elephant tusk, ivory, rhino horn and antelope horn.”

HYUNDAI MERCHANT MARINE - DOES NOT CARRY SHARK PRODUCTS
(market share: 1.9%*)

“...According to this new policy, HMM will not allow the shipment of shark fin, shark meat or any other related products, [effective] immediately....As a socially responsible company, HMM recently has established its policy to ban the transportation of shark fin to make a commitment to preserve the marine ecosystem.”

* Based on figures from the Alphaliner Top 100 as of 14 December 2015
Other shipping companies have not announced on their website a “no shark fin” carriage policy as of March 2016, but informed WWF-Hong Kong that they have set up internal guidelines stating that they will not accept shark fin shipments:

Table 3:

<table>
<thead>
<tr>
<th>Company</th>
<th>Policy Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HANJIN SHIPPING</strong></td>
<td>DOES NOT CARRY SHARK PRODUCTS (market share: 3.1%)</td>
</tr>
<tr>
<td></td>
<td>Their booking system will block bookings for shark and shark fin products.</td>
</tr>
<tr>
<td><strong>YANG MING</strong></td>
<td>DOES NOT CARRY SHARK FIN (market share: 2.7%)</td>
</tr>
<tr>
<td></td>
<td>Commodity names containing the word “shark fin” are prohibited.</td>
</tr>
<tr>
<td><strong>UASC</strong></td>
<td>DOES NOT CARRY SHARK FIN (market share: 2.4%)</td>
</tr>
<tr>
<td></td>
<td>UASC has confirmed they have a policy to decline shipments when commodities are</td>
</tr>
<tr>
<td></td>
<td>declared as “shark fin”.</td>
</tr>
<tr>
<td><strong>“K” LINE</strong></td>
<td>DOES NOT CARRY SHARK PRODUCTS (market share: 1.9%)</td>
</tr>
<tr>
<td></td>
<td>Shark products, including shark fin, are not accepted for carriage.</td>
</tr>
<tr>
<td><strong>PIL</strong></td>
<td>DOES NOT CARRY SHARK FIN (market share: 1.8%)</td>
</tr>
<tr>
<td></td>
<td>PIL strictly rejects any bookings for shark fin.</td>
</tr>
<tr>
<td><strong>ZIM</strong></td>
<td>DOES NOT CARRY SHARK FIN (market share: 1.7%)</td>
</tr>
<tr>
<td></td>
<td>Shark fins, as well as all other products related to protected and endangered</td>
</tr>
<tr>
<td></td>
<td>species, is on the list of cargo items that ZIM does not accept.</td>
</tr>
<tr>
<td><strong>WAN HAI LINES</strong></td>
<td>DOES NOT CARRY SHARK FIN (market share: 1.0%)</td>
</tr>
<tr>
<td></td>
<td>Total ban on shark fin shipment.</td>
</tr>
</tbody>
</table>

* Based on figures from the Alphaliner Top 100 as of 14 December 2015
The below shipping companies have established restrictive shark fin carriage policies which prevent some-but not all-shark fin.

**CMA CGM**
The written policy says that the company accepts legal shark fin. But, based on the meeting with a representative of the company, it is understood that the company only carries shark fin which were with relevant CITES documents. This policy is inconsistent with the "no shark fin" carriage policy of most top 20 global shipping companies. (see Table 6)

*Table 6:*

**CMA CGM - DOES NOT CARRY SHARK FINS EXCEPT THOSE WITH CITES PERMITS**

*market share: 8.9%)*

"...As it is CMA CGM Group policy to comply with all international and local laws and regulations, this also includes all those [which concern] the protection of endangered species of wild fauna and flora...?"

*Based on figures from the Alphaliner Top 100 as of 14 December 2015

**Evergreen Line**
The policy is ambiguous as the sentences in this policy are contradictory. It is unknown if this company carries shark product which were with relevant CITES documents. (see Table 7)

*Table 7:*

**EVERGREEN LINE - DOES NOT CARRY SHARK FINS EXCEPT THOSE WITH CITES PERMITS**

*market share: 4.7%)*

"Evergreen Line will abide by CITES restrictions and regulations.

Evergreen Line will not accept cargo booking of whale or whale products nor shark meat or shark products."

*Based on figures from the Alphaliner Top 100 as of 14 December 2015

The following shipping lines have not yet responded to requests regarding their "no shark fin" carriage policy.

*Table 8:*

**COSCON**

*market share: 4.3%)*

**CSCL**

*market share: 3.4%)*

*Based on the figures on Alphaliner Top 100, dated 14 December 2015"
5.2 TRENDS IN “NO SHARK FIN” CARRIAGE POLICIES

The policies listed in 5.1 illustrate that most major shipping companies have banned shark fin shipments. When asked to take part in WWF-Hong Kong’s “Shipping Companies’ Shark Fin Carriage Policy Survey?”, some companies shared their views on why they decided to introduce their policies:

**TOP REASONS WHY SHIPPING COMPANIES IMPLEMENTED OR WERE INCLINED TO IMPLEMENT A TOTAL BAN ON SHARK FIN CARRIAGE***:

- The policy sends a clear message that is easy to comprehend: 38%
- Company staff find it hard to differentiate between CITES shark species and/or the related permits: 38%
- The company does not feel that customs could effectively identify the species of a shark fin, even if suspected products were found: 31%

WWF-Hong Kong’s "Shipping Companies Shark Fin Carriage Policy's Survey", 2015
*Multiple choices could be selected

Shipping companies that implemented a total ban were united in their concerns: they found it challenging to differentiate between specific CITES shark species and/or the related permits required to transport these species. Similar concerns were also expressed in August 2015, when UPS decided to ban all shipments of shark fin.

**UPS SHARK FIN BAN ANNOUNCEMENT**

"After consultation with expert advisors from the World Wildlife Fund [WWF] Oceans Team, UPS chose to no longer accept shipments of shark fins from any species effective August 18, 2015. The company established a ban on shark fins due to concerns about the enforcement capabilities of the authorities and potential inaccuracy of visual inspection used by experts as part of the CITES certification process. The potential for misidentification presents an unacceptable business condition for UPS to continue carrying shark fins. UPS is also concerned about the broader ecosystem impact due to species depletion and the sustainability of fisheries, as demonstrated by WWF®.”

UPS
As a notable exception to the majority of top 20 shipping companies, some companies do accept CITES-listed shark species which have the relevant documentation. However, extra challenges can be created in the enforcement of such a policy. The case below highlights potential problems if a policy is not properly enforced.

**A “MYSTERIOUS” CITES SHARK FIN SHIPMENT**

In August 2014, one shipping company which only allows CITES-listed shark species to be shipped accepted a shark fin shipment from Panama to Hong Kong (details of the bill of lading are given below). While this shipping company had had a shark fin policy in place since 2013, data obtained from the Hong Kong Agriculture, Fisheries and Conservation Department revealed that there were no official records of import, export or re-export of shark products with CITES documents at any time during 2014.

The reason for this discrepancy between the record from the Hong Kong government and the record from the shipping company could not be confirmed by the time this report was published.

**BILL OF LADING**

<table>
<thead>
<tr>
<th>CONTAINER NO.</th>
<th>WEIGHT IN KG</th>
</tr>
</thead>
<tbody>
<tr>
<td>FCIU4859740</td>
<td>1,134</td>
</tr>
</tbody>
</table>

**COMMODITY**

- ALETA DE TIBURON SECO
- ALETA DE TIBURON SECO (DRY SHARK FINs)
- BUCHE DE CORVINA (DRY FISHMAWS)

**SHIPPER**

XXXXX (PANAMANIAN COMPANY)

**CONSIGNEE**

XXXXX (HONG KONG COMPANY)

**DEPARTURE DATE**

AUGUST 2014

**ARRIVAL DATE**

SEPTEMBER 2014
5.3 HOW CAN WE ENSURE A “GREEN JOURNEY”?

Shipping companies generally work in alliance with one another, for example through “vessel-sharing” practices, whereby a container from one shipping company can be passed off to another along its journey. As such, it is of the utmost importance that all shipping companies in the same alliance implement a consistent “no shark fin” carriage policy. If this does not occur, it will complicate and compromise the efforts made by those shipping companies who do not carry shark fin. Of the top shipping companies, some of them still accept CITES listed shark fin cargo if with relevant documents. Some had not established such policy. The summary is listed on Table 9. The following diagram illustrates one potential challenge:
### 5. Shipping Companies’ “No Shark Fin” Carriage Policies

**Table 9:**

<table>
<thead>
<tr>
<th>SHARK FIN CARRIAGE STATUS</th>
<th>COMPANIES</th>
<th>MARKET SHARE IN TOTAL*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total ban on shark fin carriage</td>
<td>Maersk Line, MSC, Hapag-Lloyd, Hamburg Süd, Hanjin Shipping, MOL, OOCL, APL, Yang Ming, NYK Line, UASC, HMM, “K” Line, PIL, ZIM, Wan Hai Lines</td>
<td>63.2%</td>
</tr>
<tr>
<td>Accept CITES-approved shark fin</td>
<td>CMA CGM, Evergreen Line,</td>
<td>13.6%</td>
</tr>
<tr>
<td>Has not yet established a “no shark fin” carriage policy</td>
<td>COSCON, CSCL</td>
<td>7.7%</td>
</tr>
</tbody>
</table>

* Based on figures from the Alphaliner Top 100 of 14 December 2015

WWF-Hong Kong encourages shipping companies that have established “no shark fin” carriage policies to influence their alliance partners. The first step we recommend is to make a unified “no shark fin” carriage policy a condition for alliance membership.
Many shipping companies established and announced "no shark fin" carriage policies.
### 5.4 Examples of On-Going Shark Fin Shipments

The following bills of lading illustrate that COSCON and CSCL accept shark fin shipments.

As stated in Section 4 of this report, illegal shark fin is still very common and can be extremely difficult to identify. Given that these shipping companies are committed in the HKLSA Shark Fin Policy to "conduct their business lawfully and in a responsible manner", they should consider establishing "no shark fin" policies as soon as possible. In addition, they should work with their stakeholders and partners to implement a real "green journey" as per Section 5.3. If they do not establish "no shark fin" carriage policies soon, these "holdout" companies will undermine the conservation efforts which are being made by the majority of major shipping companies.

#### COSCON

**BILL OF LADING**

<table>
<thead>
<tr>
<th>CONTAINER NO.</th>
<th>FCUI4889740</th>
<th>WEIGHT IN KG</th>
<th>3,626</th>
</tr>
</thead>
</table>

**COMMODITY**

SHARK FIN SHARK TAIL AND FISH MAW

**SHIPPER**

XXXXXX

(A COMPANY LOCATED IN PANAMA)

**CONSIGNEE**

XXXXXX

(A DRIED SEAFOOD COMPANY IN HONG KONG)

**DEPARTURE DATE**

31 JANUARY 2016

**ARRIVAL DATE**

16 MARCH 2016

#### CSCL

**BILL OF LADING**

<table>
<thead>
<tr>
<th>CONTAINER NO.</th>
<th>CCLU1037937</th>
<th>WEIGHT IN KG</th>
<th>2,083</th>
</tr>
</thead>
</table>

**COMMODITY**

GENERAL FROZEN PROCESSED[PROCESSED] SHARK'S FIN

**SHIPPER**

XXXXXX

(A DRIED SEAFOOD COMPANY LOCATED IN HONG KONG)

**CONSIGNEE**

XXXXXX

(A COMPANY IN THE USA)

**DEPARTURE DATE**

SEPTEMBER 2016

**ARRIVAL DATE**

SEPTEMBER 2016
6. BEST PRACTICES IN IMPLEMENTING “NO SHARK FIN” CARRIAGE POLICIES
6.1 IMPROVING THE EXISTING BOOKING SCREENING SYSTEM

Information given by shipping companies explains that many cargo shipments are handled using a "shipper’s load, count and seal" process, i.e. the shippers execute the procedures of loading, counting and sealing the cargo. While it can be overwhelmingly challenging, indeed almost impossible, for shipping companies to examine every piece of cargo at a terminal, they can obtain important information about their cargo by paying careful attention to the paperwork provided to them.

“Regarding “shipment of Shark Fin, we scan for sensitive words in 5 languages:
English "SHARK"
French "REQUIN"
Spanish "TIBURON"
Italian "SUALO"
Latin "CETUS"

A representative from a shipping company

The above example given of expanding the number of languages when searching for keywords helps front line staff immediately identify shark fin cargo, and allows them to determine if they should accept such a shipment.

“Our booking system is able to cross check information provided by shippers. For example, if a shipper provides the custom code “030571” (the custom code for shark fin), the booking system will automatically recognize “030571” as being a shark fin product and the order will be automatically cancelled. If the code doesn’t specify shark fin, but the content description includes the word "shark", the shipment will also be cancelled.”

A representative from a shipping company

The above example describes a well-established cross checking booking system. Such a system reduces the chances of a shipping company’s “no shark fin” carriage policy being violated.
6.2 BECOMING ALERT TO “HIGH-RISK” SHIPPERS

In some cases, shippers may deliberately incorrectly declare cargo contents in order to trade illegal products.

INCORRECTLY DECLARED ILLEGAL SHARK FINS FROM INDONESIA, WORTH 1.9 BILLION RP AND DESTINED FOR HONG KONG, ARE SEIZED

On 6 October 2015, 74 cartons destined for Hong Kong, originally reported as containing “dried stingray fins Liong Bun type (Rhinidae)“ and “Lanjaman (Carcharhinus amblyrhynchos) shark fins”, were intercepted by Indonesian authorities. Of these, 24 cartons were found to contain about 600 kg of fins from Oceanic whitetip sharks worth 1.9 billion Rp, the export of which had been banned from Indonesia since December 2014. Fins from banned shark species were mixed with other shark fins and incorrectly declared. The case is currently under investigation.

“We have a “black list” of shippers – shippers which may violate carriage laws or the regulations set by shipping companies. We are happy to work with environmental groups to understand more about high-risk or suspicious shippers.”

A representative from a shipping company
7. RECOMMENDATIONS

Sharks are extremely important creatures. Without them, the marine ecosystems of the world would quickly fall out of balance with potentially catastrophic consequences. When compared to the size of the global shipping cargo business, the volume of shark fin traded around the globe is insignificant. As a negligible part of the global shipping cargo business, it is easy to forgo it in support of shark conservation.

To minimize the environmental, legal and reputational risks involved in shark fin carriage, and to join the ranks of truly globally responsible shipping companies, WWF-Hong Kong recommends that all shipping companies:

SET UP A “NO SHARK FIN” CARRIAGE POLICY

All shipping companies should establish a “no shark fin” carriage policy and ban shark fin as cargo. Such policies help steer shipping companies away from being associated with illegally-sourced shark fin, minimize the associated risks and help them build a positive corporate image. In addition, it is important that all shipping companies in the same alliance implement a consistent “no shark fin” carriage policy.

PUBLICLY ANNOUNCE THIS “NO SHARK FIN” CARRIAGE POLICY

All shipping companies should publicly announce their “no shark fin” carriage policies. This will make the commitment the companies have made clear and eliminate any ambiguity in these policies for all shippers and stakeholders, thus minimizing the risk of unintentionally carrying shark fin. A public announcement will also show other shipping companies how a socially responsible company can contribute to protecting the environment by being selective in what it carries.

FOLLOW BEST PRACTICES SET OUT BY INDUSTRY LEADERS

All shipping companies should follow best practices. For example, a sensitive keyword database can be enlarged by including more words in more languages. A cross-checking booking system can also be developed to facilitate the implementation of a “no shark fin” carriage policy.
With companies working with each other and with partners and stakeholders inside and outside the shipping industry, we can all create a brighter and more sustainable future for the world’s sharks.

“We believe shipping companies need to know what they are carrying ... alliances are also an opportunity for carriers to share best practices on commodity governance, such as a shark fin carriage policy”

A representative from a shipping company

Together, we can create a brighter and more sustainable future for the world’s sharks
(19) WildAid Hong Kong (2015, August 20). Here is the DHL statement on shark fin sent to us by Weber Shandwick, PR agency of DHL Express Hong Kong [Facebook Update]. Retrieved from https://www.facebook.com/WildAidHK/posts/976760589054521


(29) Ibid.


(32) WWF-Hong Kong. (2014). Shark Fin Consumption Survey of Caterers


(34) HKLSA Shark Fin Policy. (2015)


(61) WWF-Hong Kong, (2014). Shark Fin Consumption Survey of Caterers


(77) WWF-Hong Kong. (2015). Shipping Companies Shark Fin Carriage Policy’s Survey [Data file]


MANAGING RISK - GLOBAL SHIPPING COMPANIES SAY NO TO SHARK FIN

92%

Hong Kong accounts for about 50% of the global shark fin trade annually. 92% of shark fin by weight were imported into Hong Kong “by ocean”

16

16 of the top 20 shipping companies have “no shark fin” carriage policy

1/4

1/4 of sharks and related species are threatened with extinction

400M

The first great sharks evolved around 400 million years ago