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Dangerous dives for Caribbean Spiny Lobster



The project

The global value chains of companies in the seafood industry may pose risks to human rights and the environment. Those companies face increasing regulatory, financial, litigation, and reputational risks connected to their human rights and environmental impacts. Without actionable policies and clear due diligence mechanisms in place, companies cannot identify, assess, and act on environmental and human rights risks across their value chains. Financial institutions providing capital to these companies may also face material risks as a consequence.

In this series, we examine the stories behind seafood species frequently seen on supermarket shelves in Europe. Our aim is to learn what the impact of their trade is on the environment and on the lives of coastal communities. As increasingly required by EU legislation, we expect seafood companies and investors to conduct due diligence across their value chains and portfolios, to identify and address environmental and human rights impacts.

Also known as 'the gold of the sea', the Caribbean Spiny Lobster or Rock Lobster (*Panulirus argus*) is one of the most economically important species in Central America and the Caribbean. It is found throughout the western Atlantic Ocean, from North Carolina to Brazil, including Bermuda, the Bahamas, and all Caribbean and Central American countries in between, sustaining the economies of several countries.

Along the Caribbean Coast, Nicaragua and Honduras share an important lobster fishery, on which the livelihoods of local communities, particularly the Miskito Indigenous communities, depend.

WWF ranks Nicaragua as the world's eighth-largest producer of Caribbean Spiny Lobster and the largest in Central America, with an average production of more than 4,800 tonnes per year for trap and dive fisheries. After Nicaragua, Honduras is the second-largest lobster producer in Central America, with an average production of over 3,700 tonnes per year for the trap and dive fisheries. The product is exported whole (live or dead) or just the tail.

The world's largest producers of Caribbean Spiny Lobster per year for trap and dive fisheries:

Nicaragua

4,800
tonnes per year

Honduras

3,700
tonnes per year

Intra-EU trade of Honduras and Nicaragua lobster

In 2022, Honduras and Nicaragua exported a combined 228.47 tonnes of rock lobster and sea crawfish to the EU, for a value of EUR 8,228,050. The main importing countries were Belgium (111.95 tonnes), Spain (73.04

tonnes) and France (43.48 tonnes). These Member States re-export these products to other EU countries. Therefore, further EU countries may be importing lobster from Nicaragua and Honduras via other EU countries.

The Rock Lobster EU-Trade Market In 2019, In Value

EU MARKET



Source: EUMOFA elaboration of EUROSTAT-COMEXT data. Figure 44.

Rock lobster and sea crawfish exports from Honduras and Nicaragua to EU, 2018-2022

Value (EUR) and Volume (tonnes)

	2018		2019		2020		2021		2022	
	Value EUR	Volume Tonnes	Value EUR	Volume Tonnes	Value EUR	Volume Tonnes	Value EUR	Volume Tonnes	Value EUR	Volume Tonnes
Belgium	12,092,154	434.99	15,394,581	464.50	945,342	27.89	/	/	4,256,907	111.95
Spain	3,184,815	120.46	4,811,761	156.16	17,817	1.37	/	/	3,392,065	73.04
France	546,643	22.89	1,643,120	37.93	/	/	1,023,324	44.29	579,078	43.48
Other EU Countries	1,461,942	55.43	2,685,755	92.56	1,251,471	42.80	/	/	/	/
EU Total	17,285,554	633.77	24,535,217	751.16	2,214,630	72.05	1,023,324	44.29	8,228,050	228.47

Source: EUMOFA; analysis ClientEarth



Environmental and social concerns

The lobster fishery in Nicaragua and Honduras raises serious environmental concerns, including the likelihood of illegal, unreported, and unregulated (IUU) fishing. That IUU fishing weakens management of the resource and equitable access for local communities. There is also a lack of data on stock status, bycatch, and habitat impacts on coral reefs from lobster traps.

There are industrial as well as small-scale lobster fisheries in Nicaragua and Honduras. Industrial vessels harvest lobsters with traps (*nasas*), while artisanal fishers harvest the species by diving (scuba, free and hookah diving), known as *buceo*. Despite regulations on marketable size, any lobster found is extracted from the environment. Lobsters that do not reach a commercial size are sold in local markets, while smaller lobsters are for subsistence consumption. The rise in demand for live lobster, which lasts longer and has a wider market, has increased harvest by diving, as the use of traps often results in lobsters reaching the surface dead.

The environmental pressure on the species has caused it to migrate to deeper waters: to harvest marketable-sized lobsters, divers (*buzos*) are forced to dive deeper, dive more frequently and stay underwater longer, often with substandard fishing gear. All these factors increase safety risks for divers, who are paid on a “pay per lobster” basis and thus risk their lives to make each of the dives as profitable as possible. As a result, over the past 30 years, dozens of Miskito divers have died from decompression sickness and hundreds more have been left paralysed.

The overexploitation of this species, coupled with the growing impacts of climate change in the region, is undermining the livelihoods of the Miskito. The Miskito are an Indigenous community who depend heavily on this fishery, both for income and consumption. These problems reinforce existing vulnerabilities in the community, with consequences for the enjoyment of many of their rights. In fact, the supply of this product may also exacerbate intergenerational and gender inequalities, as new Miskito generations may not be able to continue lobster fishing, and women are often left without economic support when their husbands are injured in a diving accident.

The “Miskito standards”

Several legislative initiatives have been introduced to guarantee the environmental and social sustainability of the fishery and put an end to the practice of *buceo* in the lobster fishery. In 2009, the Organisation of the Fishery and Aquaculture Sector of the Central American Isthmus (OSPESCA) introduced a ban on scuba diving. In Nicaragua, however, industry leaders and diver groups strongly opposed it, arguing that the cost of transforming their businesses to incorporate the use of traps was too high and that the changes would have left many divers out of work. The implementation of the law was postponed for two years, to give the industry more time to transition. In the end, the authorities in Nicaragua defied the ban. Nicaragua is planning to increase the export of seafood products, including lobsters, to Europe. In Honduras, things are comparatively better. A National Action Plan to end lobster diving was adopted in 2012 and the 2017 Fisheries Law specifically provides protections for *buzos*.

In recent years, the harmful practice of diving for lobster in the Caribbean has also reached international courts. In 2021, the Inter-American Court of Human Rights (IACtHR) ruled in favour of 42 members of the Miskito community, claiming that Honduras had failed to regulate, supervise, and oversee the conduct of private companies in the deep diving lobster fishing industry. The Court identified clear business and human rights standards to be met by both States and private companies, in line with the United Nations Guiding Principles on Business and Human Rights (UNGPs). These are currently referred to as the “Miskito standards”.

Honduras has been ordered to provide a range of economic reparations to the Miskito community, including scholarships, housing, economic projects, and the production of a documentary on Miskito divers. In addition, the Court urged Honduras to strengthen medical services in the Hospital of Puerto Lampira in La Mosquitia and to provide rehabilitation measures for injured and disabled divers. Unfortunately, Honduras has so far only partially fulfilled its obligations and *buzos*’ working conditions do not seem to have improved.