



A unique group of leaders who are fast-tracking solutions to the most pressing challenges facing the ocean



Eliminating harmful fisheries subsidies: seeking a global Subsidies Elimination Agreement for fisheries

Context

According to the Food and Agriculture Organization of the UN (FAO), 33% of the world's fish populations are overfished, and 60% are being fished to their sustainable limit. In addition, there is a margin for growth in catches of only 7% of the entire world's fish populations (the so-called underfished stocks), and fisheries subsidies are considered to be the main driver of overfishing. Economists have shown that some fisheries in the high seas (the area beyond the 200-mile national jurisdiction) simply would not be economically feasible in the absence of government support, given the high fuel costs for long distance travel.

This has led to a situation where consumers in many countries are paying double for their fish: first in taxes, and then to the fishmonger. The environment is paying doubly as well: the unsustainable burning of fossil fuels by too many vessels chasing too few fish, and the unfortunate depletion of fish stocks.

Against this background, governments agreed in 2015 as part of the Sustainable Development Goal for the ocean (SDG 14) that by 2020 they would "prohibit certain forms of fisheries subsidies" deemed harmful or unsustainable. Since then, discussions within the World Trade Organization on how to proceed with this mandate have been the only topic under discussion in the World Trade Organization (WTO) Committee on Rules.

Negotiations have continued, so far without sufficient progress or agreement. It is hoped that the WTO's 12th Ministerial Conference in Kazakhstan in June 2020 will finally see the adoption of a Subsidies Elimination Agreement.



Fishing vessels moored in the harbor of Ventotene, an island off the coast of Lazio. © Sara White/Alamy

What the Friends are doing

Friends of Ocean Action is actively supporting the work of the WTO Rules Committee, cooperating with the WTO Secretariat and WTO members to seek a decision that can operationalize the relevant target on subsidies under SDG 14.

Representatives from Friends of Ocean Action have participated in panels at WTO headquarters in Geneva. The Friends have also sought to increase transparency in the WTO rules negotiations by inviting key protagonists to major public events, including the Annual Meeting of the World Economic Forum in Davos, and the Economist World Ocean Summit. Friends of Ocean Action Co-Chair and UN Secretary General's Special Envoy for the Ocean, Ambassador Peter Thomson, has become a familiar voice at key WTO meetings.

At the end of 2019, it became evident that the WTO would not reach an agreement before 2020. Friends of Ocean Action is committed to help seek an agreement by the 12th Ministerial Conference of the WTO in June 2020.

Two different approaches are on the table of the WTO Rules Committee. On the one hand, the USA, together with Australia, Uruguay and Argentina have proposed a cap on fisheries subsidies, in accordance with a formula that would take account of each country's contribution to fisheries and fish trade.

Meanwhile, China, the EU, Japan, Korea and Chinese Taipei have proposed a so-called 'green box' that would list the

types of fisheries subsidies that are acceptable (and thus exclude all others). Not all subsidies are bad: those designed to improve fisheries management, scientific knowledge or the enforcement of regulations, for example, are useful.

One key issue which remains to be resolved is to whom, to what extent and for how long should 'appropriate and effective special and differential treatment' be afforded to developing countries in WTO rules, and reflected in the text of SDG 14.6.

All eyes on the WTO

At the beginning of 2020, there are only six months left to conclude a deal before the 12th Ministerial Conference of the WTO opens on 8 June (World Ocean Day). This meeting immediately follows the UN Ocean Conference in Lisbon, Portugal, a major international gathering designed to assess progress on the implementation of SDG 14. In this context, Friends of Ocean Action will act so that, in Lisbon, all eyes are on the WTO.

The WTO Ministerial Conference will end in Kazakhstan on 11 June. On that day the World Conservation Congress, another major global environmental gathering with thousands of participants, will begin in Marseille, France. Here again Friends of Ocean Action will relay the news coming from the WTO in Kazakhstan, and make sure it is noted.

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The Old Port of Marseille, France. © Denis Doyle/Alamy