ROOM VIII, Building E
Palais des Nations, Geneva
10-12 May 2016

UNITED NATIONS UNCTAD
The Commonwealth
IOI International Ocean Institute

Oceans economy and trade:
Sustainable fisheries, transport and tourism

Fisheries trends and trade measures by 2035

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Objective

To provide a preliminary forward-looking perspective on how **fisheries** and key **trade-related measures** would look like by **2035** based on current **trends**

Trends & Challenges

- Population trends
- Climate change effects & challenges
- Harvesting vs. aquaculture
- Trade regimes & trade barriers

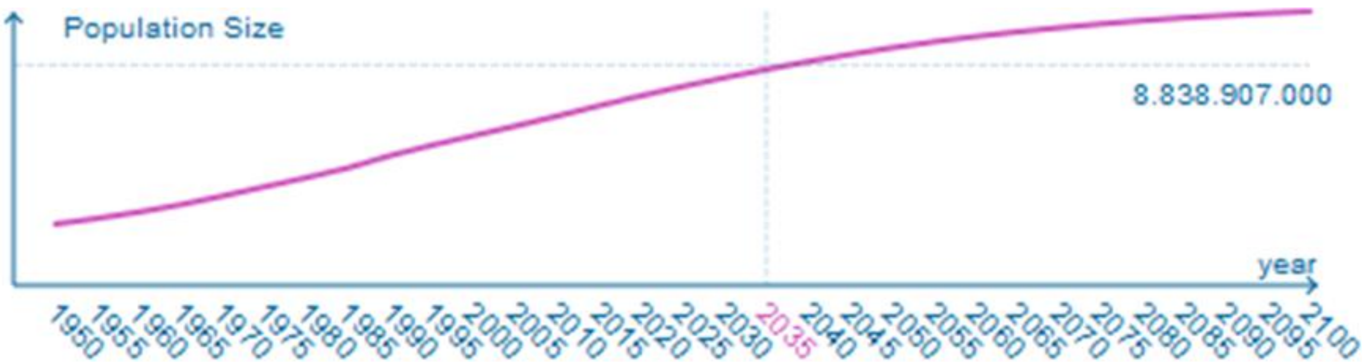
We have for the first time a SDG exclusively dedicated to oceans

14 LIFE BELOW WATER

THE GLOBAL GOALS
For Sustainable Development

Global Trends – Population

Today…world population is **7.4 billion**



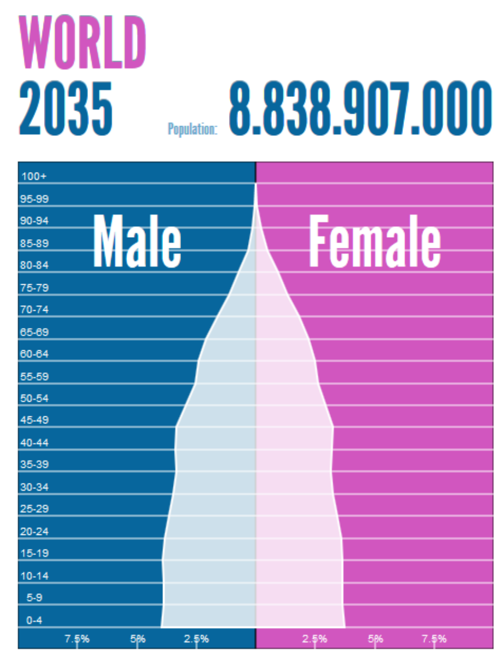
Source: World Population Prospects: The 2015 Revision.

Additional **1.5 billion** people by **2035**

Different age structure of the global population (most people over 45 years old)

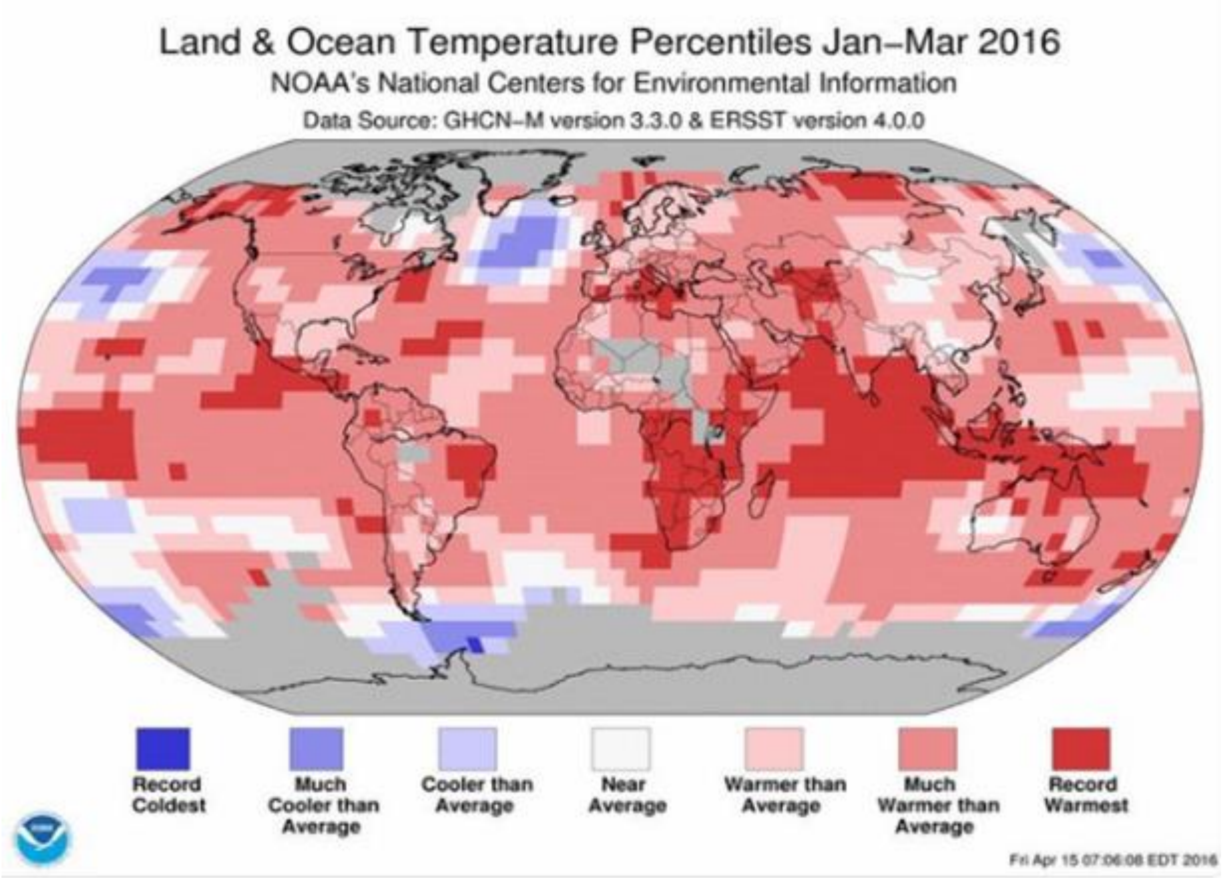
This will change **the demand**

Major **markets** will be in **emerging economies & developing countries**



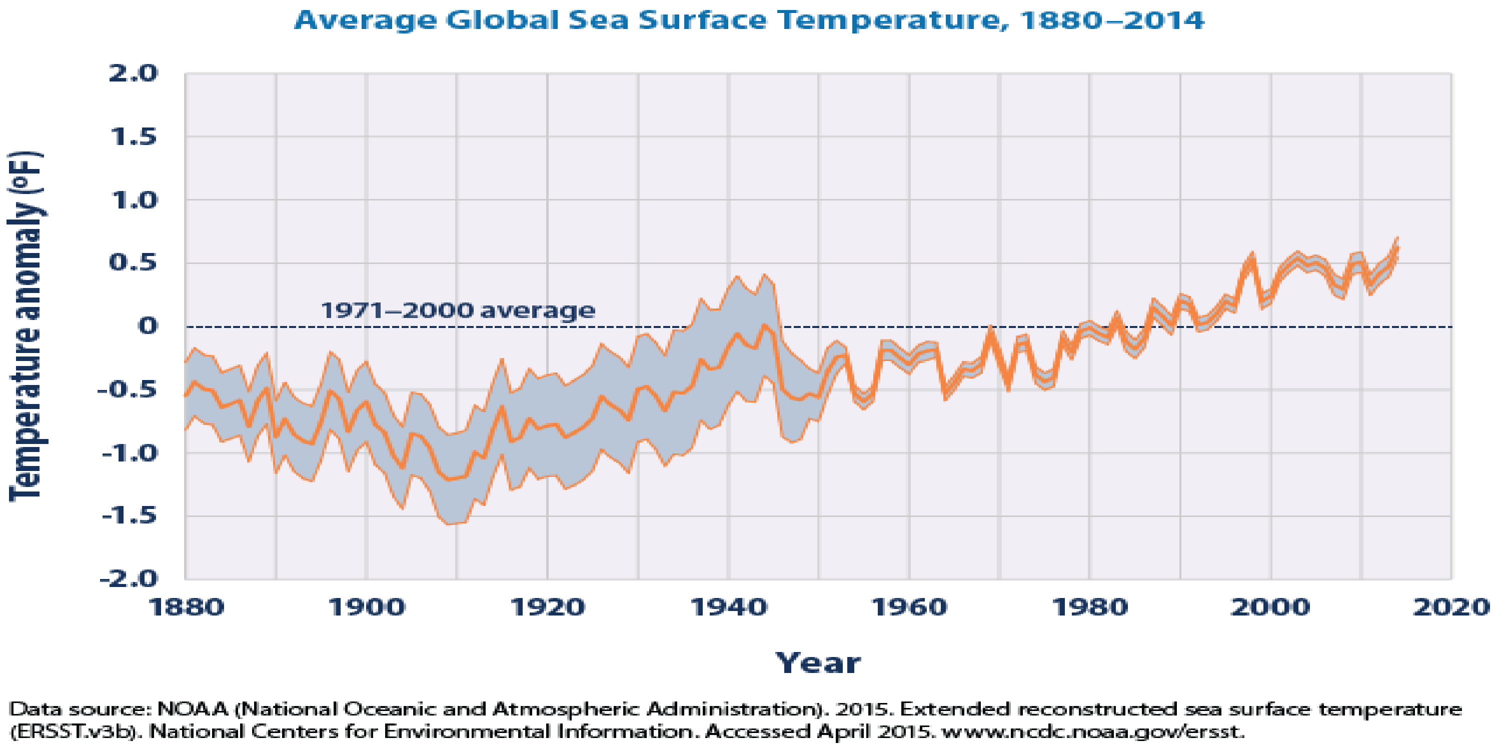
Climate Change Effects

Records in high temperature on the sea-surface in many regions…



….Generate changes in the **marine environment**: Temperature, Water Stratification, Ocean Currents, Winds, Sea Level, pH Level, Precipitation, Rates of Changes

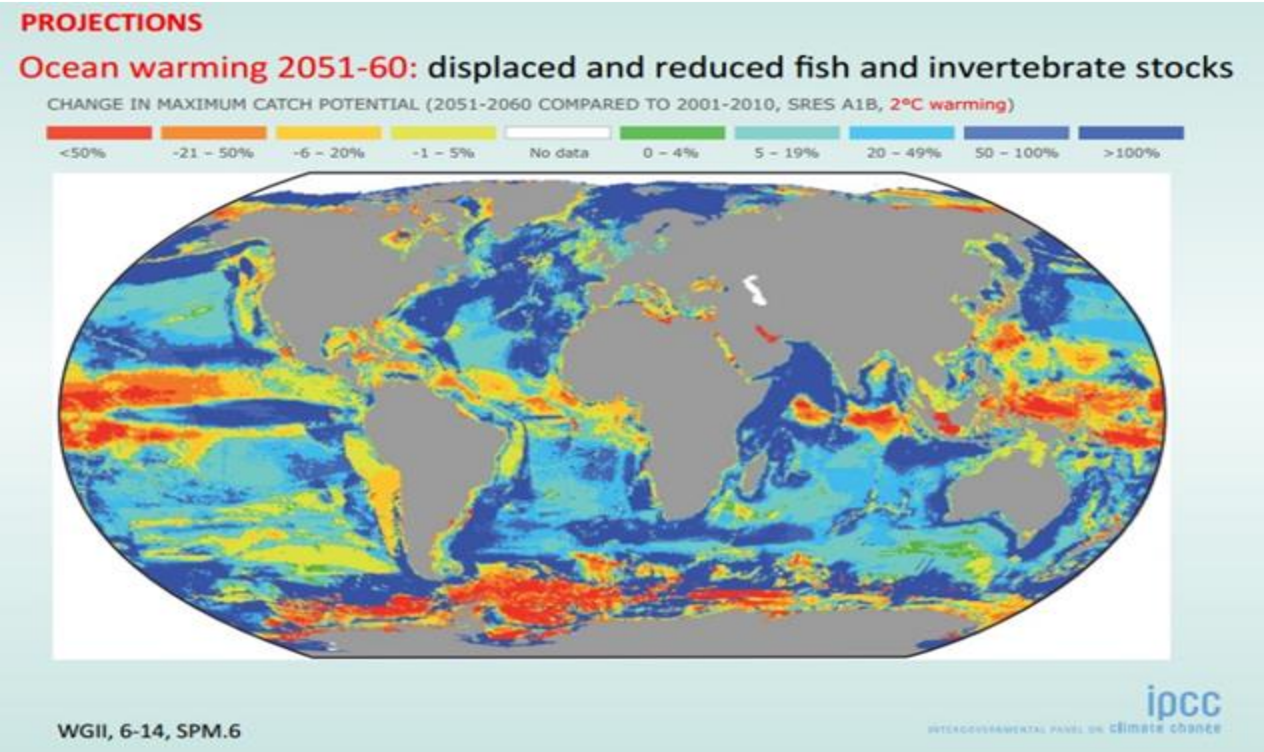
Climate Change - Temperature



- Since 1901 through 2014, sea surface temperatures rose at an average rate of **0.13°F per decade** (NOAA, 2015)

- With this pattern, we will probably **go over a 1 degree variation** in sea surface temperature by **2035**

Climate change
Fish stocks

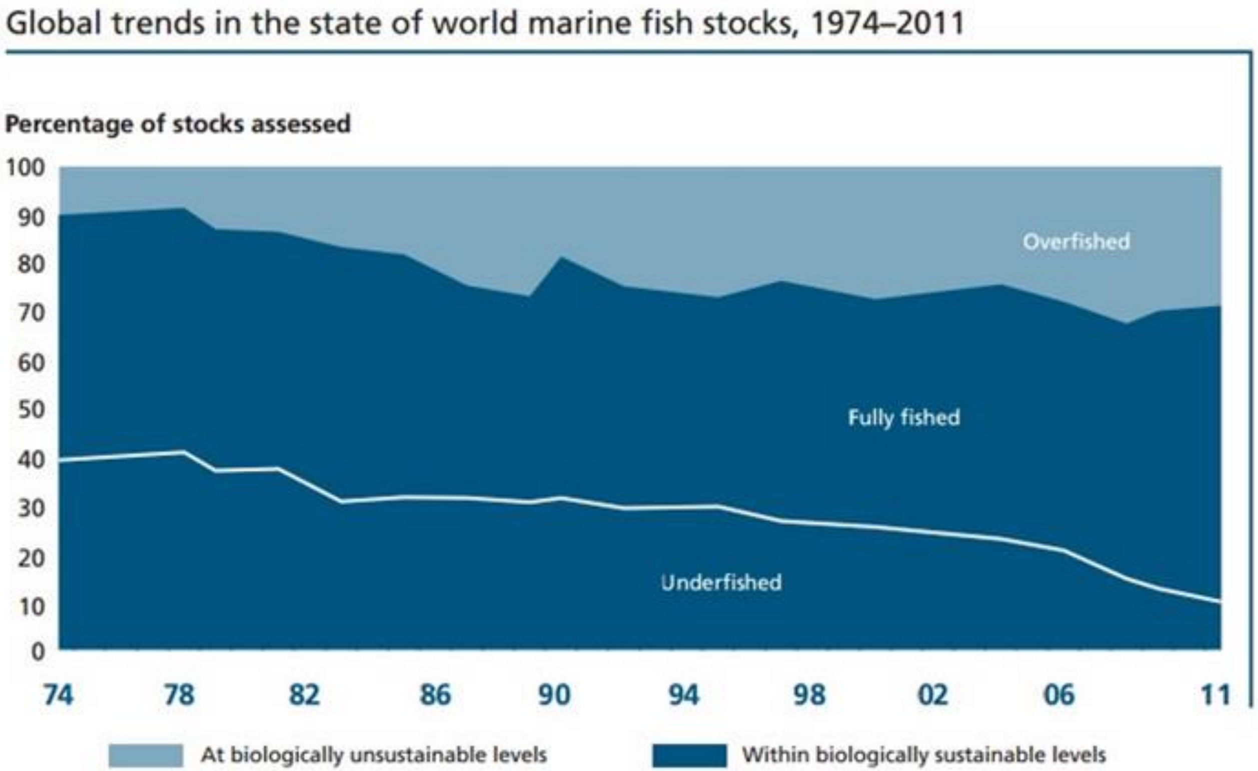


- 60% of the ocean biomass could be affected by disruptions

- Even with a full implementation of the **Paris Agreement**, we could only start curbing emissions by 2030-2035

- **Accumulation effect**

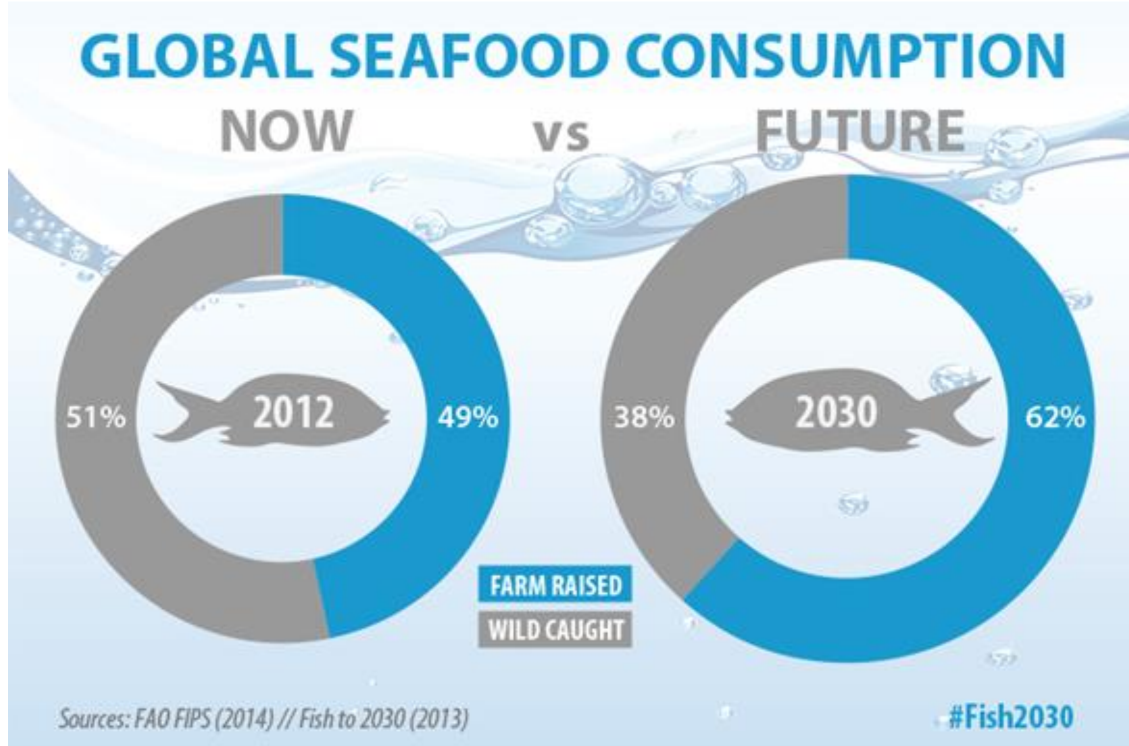
- Impacts may still be felt well over 2035 and could be **irreversible** in many cases



Source: FAO, The State of World Fisheries and Aquaculture (2014), Rome.

- Current level of wild catch = 90 million tons. if we apply **good fish management policies** we may expand to 93-94 million tons by 2035 (WB, FAO, IFPRI and AES)
- We have **reached the limit** and **recovery is too slow**
- Need to **reassess stocks** soon to have a solid baseline to measure advancement of **SDGs 14**

Raise of Aquaculture



- The **gap in the supply** of fish will be filled by aquaculture by 2030
- Importance and urgency of **global fish and sustainable aquaculture management**
- Aquaculture **business** will be located mainly in **developing countries** in Asia, Latin America, Africa & Middle East

Future Generation – Trends & Challenges

Future generations will need:

- Production and availability of food

- High quality, healthier and perhaps less caloric foods: natural proteins, fats, vitamin, oils, etc.

This is likely to expand to **emerging and developing countries** within this decade, coinciding with **growing income levels**.

The world **food-producing sector** must **secure food & nutrition** for the **growing population** through increased **sustainable production**

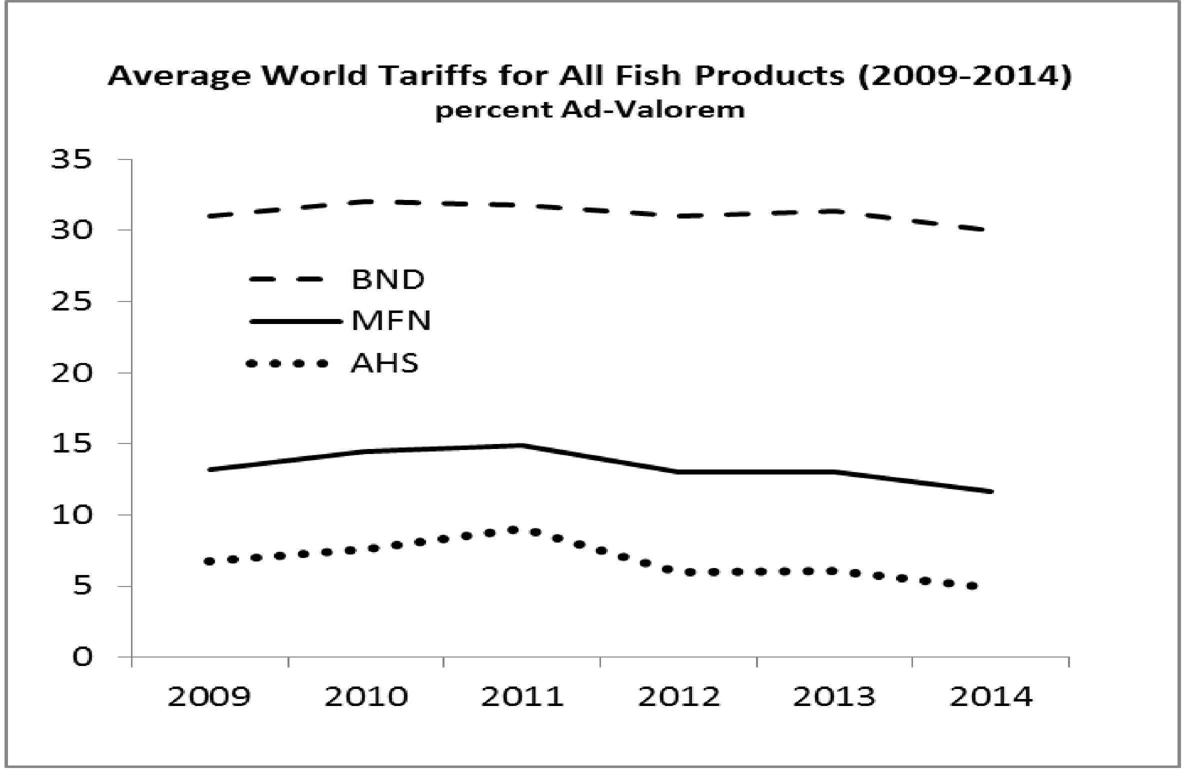
Trade regimes and trade barriers

- Doha Round stagnated and losing impulse. However, **the multilateral trade system will have to deliver** in certain areas regardless of the fate of the Round (SDG targets: 14.6 and 14b)
- Regional Trade Agreements **(RTAs)** continue to **increase** (625 WTO notifications by Feb. 2016)
- New trend in RTAs towards the inclusion of conservation and sustainable use of marine resources and in the enforceability of the environmental chapters (i.e. the TPP)
- Developing countries are the main exporters with 56% of total world exports by 2014 (in value).
- Developing countries will be the main exporters and importers of fish and fish products by 2035

The role trade policies and rules needs to be a prominent issue in the First Triennial Oceans and Seas Oceans Conference in Fiji in 2017

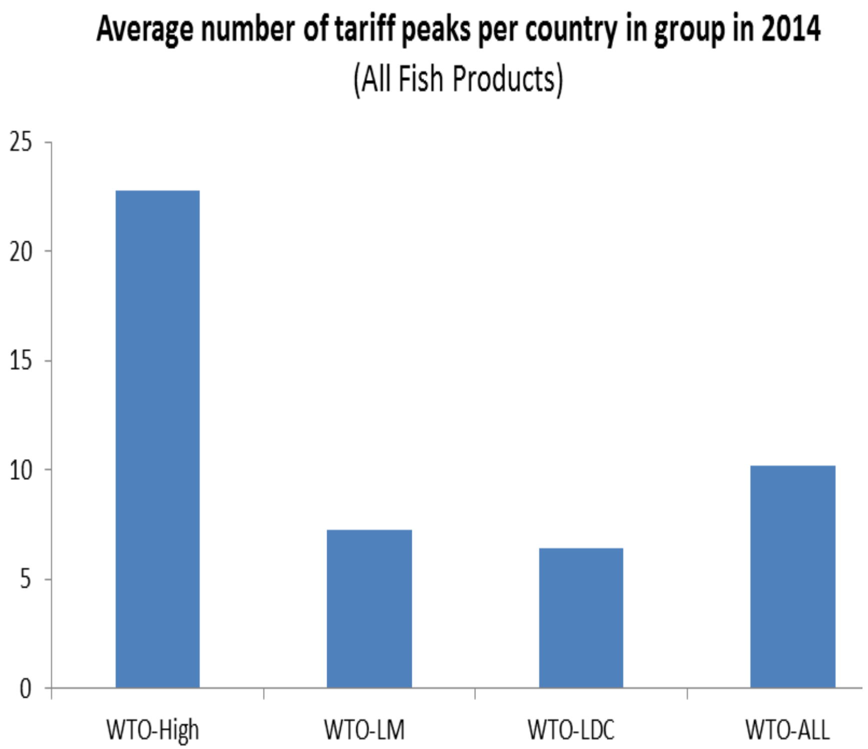
Tariffs in fish products

Source: UNCTAD (2016) Trade in Sustainable Fisheries.



- **Tariffs** are coming **down** regardless of lack of advances in the Doha Round
- **MFN and average applied tariffs** (wild capture and aquaculture) are **not particularly high** as compared to bound rates. This is the consequence of unilateral tariff reduction & accession commitments
- MFN rates might be close to 4 % and effectively applied rates might be close to 0 % by 2035
- RTAs will deeply contribute to cut these tariffs among participants

Tariff peaks - Tariff escalation



- Some fish products in certain countries **face tariff peaks** and tariff **escalation**
- Most tariff peaks: high-income countries (usually linked to level of processing)

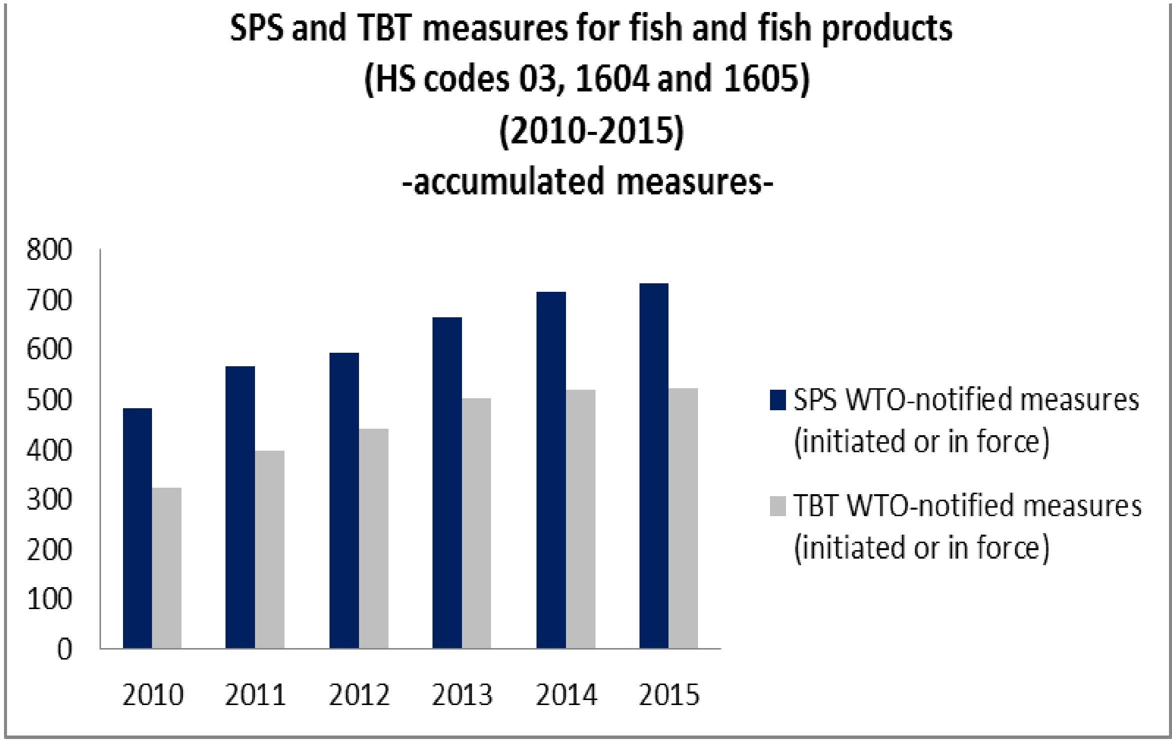
Source: UNCTAD (2016) Trade in Sustainable Fisheries.

- It's in the interest of fish export and importing **countries to reduce tariff and tariff peaks**
- The **WTO negotiations** and the **UNCTAD's Global System of Trade Preferences among developing countries** could have a role since developing countries will play a higher role in both exports and imports

Non Tariff Measures

- **80% of all NTMs are technical and phytosanity measures**

Source: UNCTAD (2016) Trade in Sustainable Fisheries based on WTO data.



- 1'250 fish related SPS/TBT **measures, growing at 11.2 % since 2010**
- **If the same growth rate continues,** it could exceed **10’500 SPS and TBT measures by 2035**
- And they **are accumulating!**
- NTMs could be important **barriers for access to markets by** small scale and artisanal fishermen (SDG 14.b)
- Urgent need to increase transparency, understanding, mechanisms harmonization, capacity building and mutual recognition
- **There is a need for an NTMs mapping in the fish sector**

Conclusions

- Even if we **improve sustainability** on fishing activities, there might be **significant impacts** over fish migratory, reproduction trends and on the food chain due to climate change and other factors
- We may have already reached the **oceans' sustainability boundaries**, unless global long-term **resource conservation & effective management** of resources becomes **a top priority**
- **Multilateral agreements** have shaped the way in which we harvest, process and trade fish. RTAs are starting to set the **new standards on key trade related aspects of marine resources**
- Need an **NTMs mapping** on the fish sector: with declining tariffs, NTMs continue to grow and will become a **key determinant for market access and trade flows**
- These and other trends need to be considered in **SDG 14 indicators and implementing activities**
- **Trade needs to be a key issue in the 2017 Triennial Oceans and Seas Conference in Fiji**
- Need to explore **the role of a UN task force /platform dedicated to trade related aspects of SDG 14** in Geneva