

The Trade and Environment Debate & Sustainable Development Goal (SDG) 14

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I would like to thank UNCTAD for the invitation to participate in this event, the timing of which is very opportune. As we speak, delegates are meeting in New York this week to discuss the "Call for Action" for the UN Ocean Conference. I commend UNCTAD for its consistent efforts at raising awareness and on putting the spotlight on trade's contribution to the achievement of SDG 14.

From the WTO perspective, our work is guided by what our founders said in the Preamble to the Marrakesh Agreement. That is, trade should be conducted in such a way that leads to higher standards of living and employment, while allowing for the optimal use of the world's resources in accordance with the objective of sustainable development, seeking both to protect and preserve the environment. With respect to fisheries trade we have the opportunity to realize this aspiration and make a significant contribution to the achievement of SDG 14.

Today I would like to spend a few minutes discussing how past and present cooperation at the WTO is helping to move us in the direction of more sustainable fisheries trade, and to reflect on a few avenues for future cooperation available to WTO members.

SDG Target 14.6, which focuses on fisheries subsidies, and more specifically on the development of disciplines to prohibit certain subsidies that contribute to overcapacity and overfishing, and on the elimination of subsidies that contribute to Illegal, Unreported and Unregulated – IUU – fishing is of particular importance.

The work of negotiating fisheries subsidies disciplines in the WTO has been going on for a long time – indeed, some fifteen years. And as some of you would have heard from my colleague Johann Human at the UNCTAD briefing in January, the process has been long and difficult. Yet despite the challenges, there have been some signs of late of a renewed commitment to achieve a meaningful outcome. This interest does not come any time too soon.

As WTO prepares for MC11 in Argentina, [SDG 14.6](#) has given new urgency and momentum to these negotiations in the WTO Negotiating Group on Rules. I note that some WTO Members will be sharing their views in a panel discussion tomorrow on the proposals tabled and work ahead to deliver on fisheries subsidies at MC11 and beyond. So, to avoid pre-empting this discussion, let me just say that in terms of the current process in the Negotiating Group, four proposals have already been tabled and the Group's work is intensifying and becoming more detailed and focused. Next week, the Group will be holding a technical briefing for negotiators, with experts from UNCTAD, UNEP, FAO, World Bank, and regional fisheries organizations, and in April a series of issue-specific sessions, punctuated with general sessions, will begin.

Even before the commencement of the rules negotiations, the potential elimination of fisheries subsidies was already amongst some of the first issues discussed in the WTO Committee on Trade and Environment, which is the forum for discussions on the mutual supportiveness of trade and environment at the WTO, following its establishment in 1995. It was recognized early that here was a possible "win-win-win" in fisheries that could benefit trade, the environment and development.

I would like to recall some of the early thinking and parameters of the trade and environment debate on fisheries as I believe they remain very relevant.

The work in the CTE linked common resource management failure to trade policy failure. In particular, it showed how the use of certain forms of fisheries subsidies not only distorted trade but led to unsustainable environmental resource exploitation.

As early as 1997, important proposals were submitted at the CTE highlighting fisheries as a good example of a natural resources sector where removing certain forms of subsidies would generate significant benefits for trade and the environment. The ensuing discussions showed significant scope for trade action to address an environmental problem. At the same time it was noted in the CTE that certain subsidies may contribute to sustainable resource management and thus the focus should be on the most distortive forms of subsidies.

It was also clear from the discussion in the CTE that as the economies of some developing countries, particularly the least-developed, are less diversified, they may be more dependent on export earnings from their natural resources, such as fish. They thus face a particularly acute problem of ensuring improved access to markets while conserving environmental resources. Given all of these factors of balancing sustainability, development and livelihoods, fisheries have always been discussed in the CTE from the perspective of sustainable development. Indeed, WTO members have under Item 6 of the CTE work programme and para 32(i) of the DDA, enshrined a commitment to work towards finding "win-win-win" situations.

Today, some 20 years since these issues were first debated in the CTE we have the challenge of realizing the broad inter-disciplinary goal of SDG 14 to "Conserve and sustainably use the oceans, seas and marine resources for sustainable development". Several of the SDG 14 targets are of direct relevance to the trade and environment community. The scope of work is broad, deep and time relevant.

Many of the timelines for the SDG 14 targets are 2020, and not 2030, like the rest of the Agenda. It calls for an accelerated pathway because over 3 billion people depend on the oceans for their livelihoods. There is growing demand for fish to meet nutritional needs and for food security. Fish remains the most traded food commodity globally, worth close to US\$148 billion in 2014, with developing countries accounting for 54% of exports by value. But it is a resource which is at risk as we appear to have reached biological limits in wild capture fisheries, with almost 60% of the world's fish stocks fully fished and over 30% overfished.

Despite some signs of recovery, with improved management of certain fish species, only around 10% of fish stocks are still under fished and most of the recent growth in world fish production and trade has come from aquaculture.

Turning to what else trade and the WTO can do, as many of you know, separate from the WTO fisheries subsidies negotiations, there are other issues relevant to the trade-related targets of SDG 14.4 to effectively regulate and eliminate overfishing, illegal, unreported and unregulated (IUU) fishing and destructive fishing practices; and SDG target 14.b on improved access to markets and marine resources for small-scale artisanal fishers.

On these issues, over the last 2-3 years, there has been increased transparency with WTO members in the CTE sharing national experiences on steps taken to prevent, deter and eliminate IUU fishing (SDG target 14.4). There has been an exchange of views on policy tools such as catch certification schemes, eco-labels, traceability requirements (from fish to plate), fishing permits, subsidies and Port State Measures (PSMs). The need for awareness generation, international co-operation, technical assistance and capacity building has also been emphasized. The CTE has also benefitted from periodic briefings from MEAs and IGOs such as the FAO. More such briefings are planned in the future and we hope that it can help contribute to incubating new ideas and promoting an integrated approach in support of SDG 14.

Looking towards the future, some interesting trade policy approaches I believe could include ways to facilitate and accelerate the dissemination of best practices and environmental technologies around the world, including those that contribute to ocean health and the conservation of marine resources (such as monitoring and surveillance equipment or fishing nets with devices to exclude bycatch). International trade could help reduce the costs of such technologies and thus facilitate the sustainable management of fisheries and marine resources.

Improved market access is yet another important factor for developing countries in their pursuit of sustainable development. Apart from tariffs, fisheries are subject to a high incidence of non-tariff measures, such as sanitary and phytosanitary (SPS)

measures and technical barriers to trade (TBT). Concerns have also been expressed on the proliferation of private standards.

There is undoubtedly a growing number of fisheries-related measures notified under the TBT and SPS Agreements each year (mostly driven by an increase in food safety measures). From 1995 until today, almost 800 SPS measures and 400 TBT measures on fish were notified. Of course, we cannot equate notified measures to trade barriers. But difficulties do arise when proposed measures are not risk-based, even-handed in its design or application, or more trade restrictive than necessary.

For this reason there is a need to continually use the SPS and TBT Agreements to improve transparency, curb discriminatory and unnecessarily burdensome practises. The principles under these agreements help contribute on the one hand to coherent and efficient environmental policies and on the other to avoiding them being captured by trade protectionist intents. Complementing the agreement are transparency obligations and transparency tools (such as ePing), as well as mechanisms in the WTO SPS and TBT Committees to address specific trade concerns as they arise.

It is also important to highlight the development dimension implicit in SDG target 14.b. Fisheries is the most traded food commodity and of particular importance to developing countries, SIDS and LDCs where there are a large number of small scale artisanal fishers. Technical assistance and capacity building can be of value. There are ongoing or planned projects focusing on the fisheries sector under partnerships such as the Standards and Trade Development Facility (STDF), Aid for Trade (A4T) and the Enhanced Integrated Framework (EIF) for LDCs. Trade facilitation and use of sustainability standards, for instance, can improve access to markets by small-scale fishermen, which can in turn enable an increase in exports and support the development of livelihoods.

To conclude, we have a unique opportunity here to build on past progress, both at the WTO and elsewhere, and to make trade work in concert with sustainable development across all of the SDG 14 targets. Needless to say there are

considerable challenges but there is equally considerable urgency to achieving results.

As UN in New York prepares for the Ocean Conference in June, your collective voice from Geneva can make an invaluable contribution to the success of the conference, and more generally, to the achievement of SDG14. Conserving and sustainably using the wealth of our oceans has to be addressed as a set of interdependent policy challenges. WTO and trade institutions do not operate in a vacuum. The work of sustainable fisheries management, the international legal framework for the oceans set out in UNCLOS, and the work of FAO, RFMOs and national fisheries management systems among others are all very important to collectively meeting this challenge.

Thank you for your attention.
