



**Experiences in phasing out fish subsidies in light of SDG 14.6:
How to reduce the gap in international negotiations?**

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PERU'S MAP



MARINE CAPTURE PRODUCTION: MAJOR PRODUCERS

COUNTRY OR TERRITORY	AVERAGE 2003–2012	2013	2014	AVERAGE (2003–2012) – 2014	2013– 2014	2013–2014
		(Tonnes)		(Percentage)		(Tonnes)
China	12 759 922	13 967 764	14 811 390	16.1	6.0	843 626
Indonesia	4 745 727	5 624 594	6 016 525	26.8	7.0	391 931
United States of America	4 734 500	5 115 493	4 954 467	4.6	-3.1	-161 026
Russian Federation	3 376 162	4 086 332	4 000 702	18.5	-2.1	-85 630
Japan	4 146 622	3 621 899	3 630 364	-12.5	0.2	8 465
Peru	7 063 261	5 827 046	3 548 689	-49.8	-39.1	-2 278 357
	918 049 ¹	956 416 ¹	1 226 560 ¹	33.6	28.2	270 144
India	3 085 311	3 418 821	3 418 821 ²	10.8	0.0	0
Viet Nam	1 994 927	2 607 000	2 711 100	35.9	4.0	104 100
Myanmar	1 643 642	2 483 870	2 702 240	64.4	8.8	218 370
Norway	2 417 348	2 079 004	2 301 288	-4.8	10.7	222 284
Chile	3 617 190	1 770 945	2 175 486	-39.9	22.8	404 541
	2 462 885 ¹	967 541 ¹	1 357 586 ¹	-44.9	40.3	390 045
Philippines	2 224 720	2 130 747	2 137 350	-3.9	0.3	6 603
Republic of Korea	1 736 680	1 586 059	1 718 626	-1.0	8.4	132 567
Thailand	2 048 753	1 614 536	1 559 746	-23.9	-3.4	-54 790
Malaysia	1 354 965	1 482 899	1 458 126	7.6	-1.7	-24 773
Mexico	1 352 353	1 500 182	1 396 205	3.2	-6.9	-103 977
Morocco	998 584	1 238 277	1 350 147	35.2	9.0	111 870
Spain	904 459	981 451	1 103 537	22.0	12.4	122 086
Iceland	1 409 270	1 366 486	1 076 558	-23.6	-21.2	-289 928
Taiwan Province of China	972 400	925 171	1 068 244	9.9	15.5	143 073
Canada	969 195	823 640	835 196	-13.8	1.4	11 556
Argentina	891 916	858 422	815 355	-8.6	-5.0	-43 067
United Kingdom	622 146	630 047	754 992	21.4	19.8	124 945
Denmark	806 787	668 339	745 019	-7.7	11.5	76 680
Ecuador	452 003	514 415	663 439	46.8	29.0	149 026
Total 25 major producers	66 328 843	66 923 439	66 953 612	0.9	0.0	30 173
WORLD TOTAL	80 793 507	80 963 120	81 549 353	0.9	0.7	586 233
SHARE 25 MAJOR PRODUCERS (PERCENTAGE)	82.1	82.7	82.1			

WTO NEGOTIATING CONTEXT

- MC11, Buenos Aires (14-17 december, 2017). Less than 8 months available.
- Possible WTO deliverables today:
 - Agriculture
 - Services
 - Development
 - E-commerce
 - Fisheries Subsidies

Recent developments

- **SDG 14.6**

"By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing (IUU) and refrain from introducing new such subsidies, recognizing that appropriate and effective special and differential treatment for developing and least developed countries should be an integral part of the World Trade Organization fisheries subsidies negotiation."

- **THE STATE OF WORLD FISHERIES AND AQUACULTURE 2016**

"Based on FAO's analysis of assessed commercial fish stocks, the share of fish stocks within biologically sustainable levels decreased from 90 % in 1974 to 68.6 % in 2013. Thus, 31.4 % of fish stocks were estimated as fished at a biologically unsustainable level and therefore overfished. Of the total number of stocks assessed in 2013, fully fished stocks accounted for 58.1 percent and underfished stocks 10.5 percent".

FISHERIES SUBSIDIES DISCIPLINES AT THE WTO

IUU FISHING

EU (TN/RL/GEN/181)	ACP (TN/RL/GEN/182)	6 LATIN AMERICAN COUNTRIES (TN/RL/GEN/183)	LDC (TN/RL/GEN/184)
<p>2. A Party shall not grant or maintain any subsidy benefitting an operator if its fishing vessel or, in case it operates more than one fishing vessel, any of its fishing vessels is included in the IUU fishing vessel list of that Party or of a Regional Fisheries Management Organization (RFMO).</p>	<p>4.1 Prohibit subsidies provided to vessels or operators engaged in illegal, unreported and unregulated (IUU) fishing.</p>	<p>Eliminate subsidies that contribute to illegal, unreported and unregulated fishing (No flexibilities for IUU).</p>	<p>3.1.b) Prohibit Subsidies provided to vessels or operators engaged in illegal, unreported and unregulated (IUU) fishing.</p> <p>The prohibition should also apply to illegal transshipment at sea.</p>

FISHERIES SUBSIDIES DISCIPLINES AT THE WTO

OVERCAPACITY

<p>1. The Parties shall not grant or maintain any of the following subsidies:</p> <p>(a) subsidies that increase the marine fishing capacity of a fishing vessel or support the acquisition of equipment that increases the ability of a fishing vessel to find fish;</p> <p>(b) subsidies that support the construction of fishing vessels or the importation of fishing vessels;</p> <p>(c) subsidies for the transfer of fishing vessels to other countries including through the creation of joint ventures with partners of those countries.</p>	<p>4.1. Overall, negotiations should aim to discipline fisheries subsidies which contribute to overcapacity and overfishing, and eliminate subsidies to illegal, unreported and unregulated (IUU) fishing. As a priority, disciplines should target subsidies provided to large scale commercial or industrial fishing and subsidies to fishing activities outside of the Member's maritime jurisdiction, (i.e. in the high seas or in the EEZ of another Member e.g. through access agreement).</p> <p>5.2. In addition to these two prohibitions and in accordance with the mandates, negotiations will need to consider further disciplines on subsidies which increase fishing capacity and efforts that contribute to overfishing and overcapacity, often at the expense of local and mostly artisanal fishers in ACP countries who rely on fisheries for their livelihood and development prospects.</p>	<p>(ii) Prohibit certain forms of fisheries subsidies which contribute to overcapacity.</p>	<p>3.1 Prohibit:</p> <p>(c) Subsidies to capital and operating costs which contribute to overcapacity and overfishing.</p>
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FISHERIES SUBSIDIES DISCIPLINES AT THE WTO

OVERFISHING

EU (TN/RL/GEN/181)	ACP (TN/RL/GEN/182)	6 LATIN AMERICAN COUNTRIES (TN/RL/GEN/183)	LDC (TN/RL/GEN/184)
<p>Overfishing would be covered through disciplines in overcapacity.</p>	<p>4.1..... As a priority, disciplines should target subsidies provided to large scale commercial or industrial fishing and subsidies to fishing activities outside of the Member's maritime jurisdiction, (i.e. in the high seas or in the EEZ of another Member e.g. through access agreement).</p> <p>5.1. Within the scope described above, disciplines should aim at prohibiting, at a minimum, the following types of subsidies with due regard given to specificities of jurisdictions with multi-species catch:</p> <ul style="list-style-type: none"> - Prohibit subsidies to fishing vessels or fishing activity negatively affecting fish stocks that are in an overfished condition. 	<p>(i) Prohibit certain forms of fisheries subsidies which contribute to overfishing.</p>	<p>3.1 Prohibit:</p> <p>(a) Subsidies to fishing vessels or fishing activity negatively impacting fish stocks that are overfished;</p> <p>(c) Subsidies to capital and operating costs which contribute to overcapacity and overfishing.</p>

Conclusions (1)

- Goal 14.6 of the ODS reflects a political agreement at the highest level, as it has been adopted by our Heads of State and Government. The elimination of subsidies to fisheries should therefore be negotiated in the WTO without being linked to any other negotiating process.
- In order to meet target SDG 14.6, Members should redouble efforts with a view of undertaking domestic, regional and international reforms, and in particular, accelerate negotiations at the World Trade Organization on fisheries subsidies to establish effective prohibitions at the 11th Ministerial Conference. We have to deliver by MC11.
- Given the deadline set in goal 14.6 of the ODS (2020), MC11 is not the end of the road. However, what will be achieved in MC11 should be the basis for pushing the post-Buenos Aires negotiations and continuing to build a much broader multilateral outcome.

Conclusions (2)

- Any multilateral outcome is built on the basis of identifying convergence, and it is notorious that one of the areas where there is a greater coincidence between proponents but also among non-proponents is in the Elimination of Illegal Fisheries Subsidies, Unreported and Unregulated (IUU fishing), which is why Peru believes that any outcome in MC11 should include this commitment. It is also clear that, in order to move forward, we must take into consideration:
 - An appropriate Special and Differential Treatment (SDT) that takes into account the different level of development of Members. That is why we must build effective disciplines, but that mean effective SDT in areas such as **artisanal and small-scale fisheries**, which are the livelihood of millions of people who would otherwise be affected by their modus vivendi.
 - The fact that not all Members are at the same point of departure is why it is necessary to grant the necessary space so that those members who are not in a situation of overcapacity, can create capacity, in a responsible manner.