Oceans Forum on Trade-related Aspects of Sustainable Development Goal 14

Advancing SDG Target 14.6-How to reduce the gaps in international negotiations

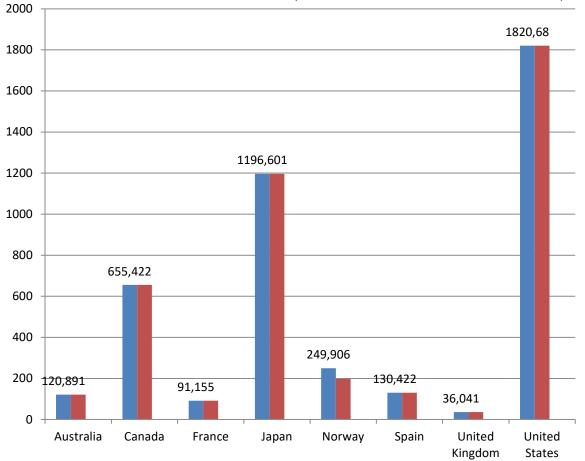


UN SDG Target 14.6

By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing 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

OECD Fishery Support Estimates

Fishery Subsidy Estimates Total (2015) (USD Million)



- Fishery Subsidy Estimates Total (2015) (USD Million)
- Budgetary Support (2015) (USD Million)
- Non Budgetary Support (2015) (USD Million) 52.869

Note:

1. Fishery Subsidy Estimates Total= Budgetary Support + Non Budgetary Support

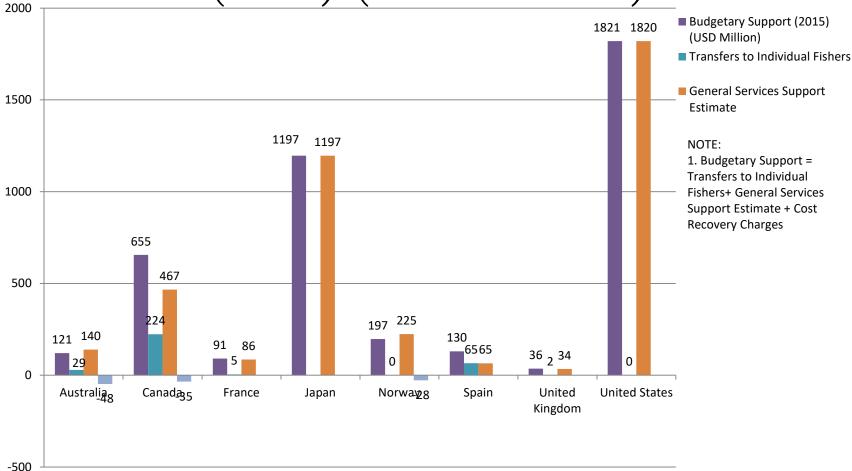
2. Non Budgetary Support= Transfers to Individual Fishers (Non Budgetary)

3. Transfers to Individual Fishers (NB)= Market Price Support + Fuel Tax Concessions

[Amongst the countries studies, only Norway has notified "Transfers to Individual Fishers (NB)" for the year 2015 of

Source: OECD Stat available at <u>https://stats.oecd.org/Index.aspx?DataSetCode=FISH_GFT#</u> (accessed on 13-03-2017)

Components of Budgetary Support (2015) (USD Million)



Source: OECD Stat available at https://stats.oecd.org/Index.aspx?DataSetCode=FISH_GFT# (accessed on 13-03-2017)

India's fisheries subsidies

• WTO Notification G/SCM/N/284/IND dated 27 October 2016 (for year 2014-15)

• Total \$42.52 Million

• Fuel subsidies \$25.80 Million

Profile of Indian fishing

- 8118 KM long coastline
- Exclusive Economic Zone (EEZ)- 2.02 million Sq. Km.
- Fishermen population (family members): Total 14.4 million
- Engaged in fishing operations (full time/part time): 2 million
- Engaged in fishing related activities: 1 million

Profile of Indian fishing

- Fish production in 2013-14
 - Marine- 3.44 Million Tonnes
 - Inland- 6.14 Million Tonnes
- Multiple species in Indian Ocean- around 55

Challenges in WTO Negotiations on Fisheries Subsidies

Divergent views

- Capacity enhancing subsidies- fishing vessels construction/modernization/imports etc.
- **EU** (TN/RL/GEN/181) prohibit subsidies that increase Marine fishing capacity, support the construction of fishing vessel or imports, transfer of fishing vessel to other countries

• Japan's JOB/RL/8: No rationale for prohibition where

- Fishing activities properly managed by RFMO/National Fisheries Management Authorities on high seas
- Fishing activities properly managed by National Fisheries Management Authorities within their EEZ

Capacity Enhancing Subsidies

- LDC Group proposal (TN/RL/GEN/184)
- Disciplines to target subsidies provided to large scale commercial or industrial fishing and to fishing activities outside members EEZ
- No disciplines for:
 - Coastal fishing by artisanal, traditional or small scale fisheries within Members' territorial waters
 - Fishing for fish stocks whose range are within Members EEZ
 - Fishing under quotas or other rights by RFMO/Fisheries arrangement

Fuel Subsidies

- Possibility of imbalanced outcome if only specific subsidies are subjected to disciplines
- Fuel subsidies are non-specific in many jurisdictions
- OECD report (2012) estimates fuel subsidies of US\$ 2 billion for OECD countries-though not fully reported to WTO
- EU proposal: exclude fuel de-taxation programmes outside future disciplines

Special & Differential Treatment

- As per Hong Kong Ministerial (2005) "appropriate and effective S&D for developing and least developed members should be an integral part of the fisheries subsidies negotiations..."
- UNSDG Target 14.6 also states that S&D should be integral part of WTO fisheries subsidies negotiations

Special & Differential Treatment

- Defining the scope of artisanal and small scale fishing activities-big challenge
- Criteria of small boat length (10 metre) and self consumption does not capture realities of small scale fishing activities
- Fishing in territorial waters should be fully exempt from disciplines
- Fishing in EEZ and under Quota rights of RFMOs to be exempt with certain fisheries conservation measures as per the capacity of the Member

Implementation of FAO-IPOA-IUU

- Challenges faced by developing countries including LDCs
- Requirements of IPOA-IUU onerous
- Requires compliance with:
 - Conservation and management measures, and
 - Reporting requirements of RFMOs and National Authorities
- Non-compliance can lead to IUU fishing
- Capacity constraints of developing countries including LDCs

Fish Stock Assessment

- Challenges faced by national fisheries institutions responsible for stock assessment
- Multiple species in Tropical waters
- Developing countries' (including LDCs) capacity to conduct regular science based stock assessment to be kept in view while framing disciplines

Recommendations

 Members to strive to find common ground to identify certain subsidies that can be prohibited where these contribute to capacity enhancement in situations where stocks are in over fished condition

Recommendations

- Special & Differential Treatment to developing countries including LDCs must take into account:
 - Importance of fisheries sector to development priorities, poverty reduction and livelihood and food security concerns
 - Their capacity to implement IPOA-IUU of FAO
 - Their capacity to conduct regular science based stock assessment

Thank You

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