

THE PEW CHARITABLE TRUSTS

**Why Failure Is Not An Option:  
*Reaching An Ambitious WTO Fisheries Subsidies  
Agreement***

***Tuesday, September 10***

***Geneva, Switzerland***

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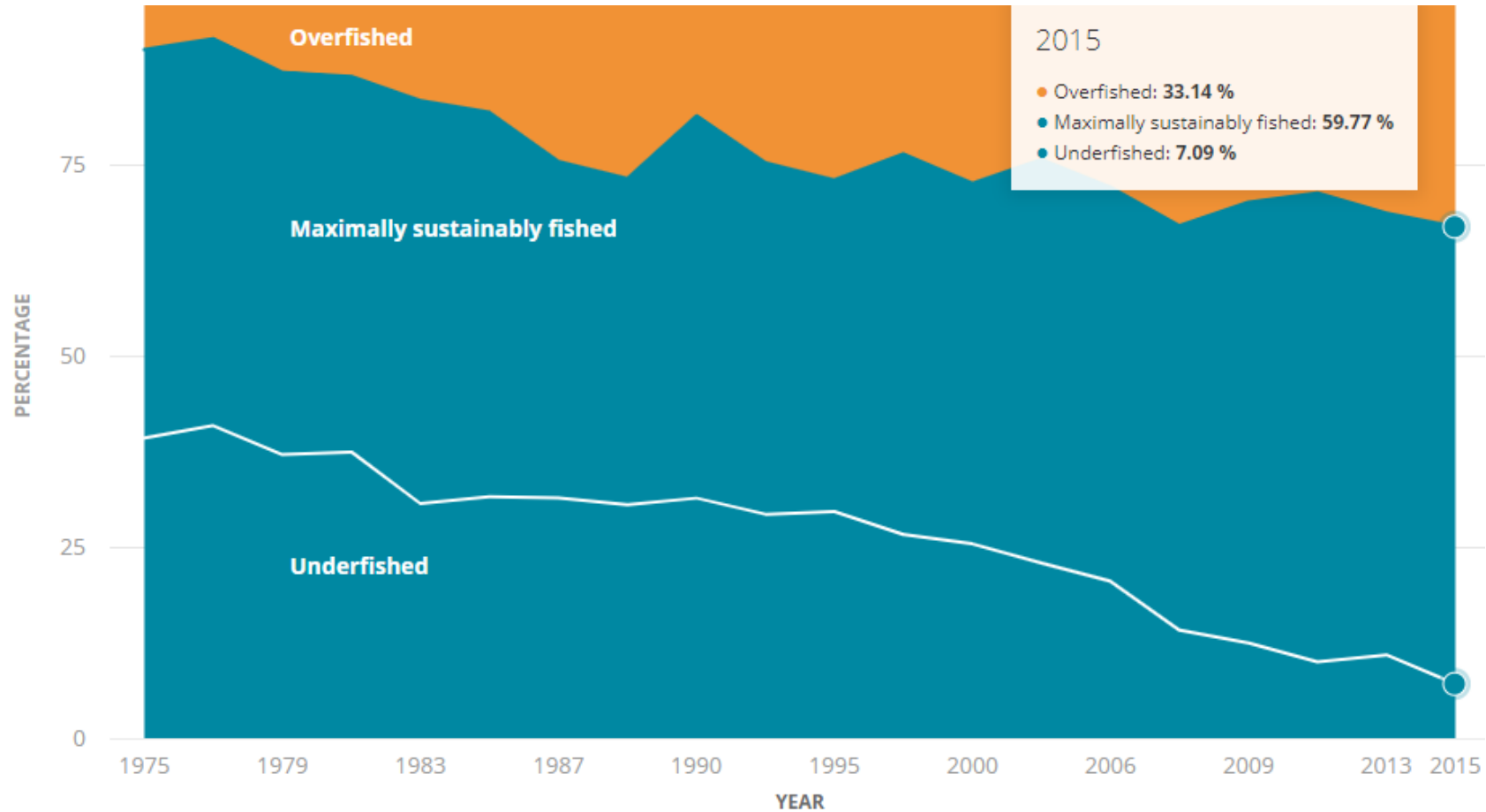
# Two Mandates for Action by 2020



14 LIFE BELOW WATER  
Conserve and sustainably use the oceans, seas and marine resources for sustainable development

*“...prohibit certain forms of fisheries subsidies that contribute to overcapacity and overfishing, and eliminate subsidies that contribute to illegal, unreported and unregulated (IUU) fishing...”*

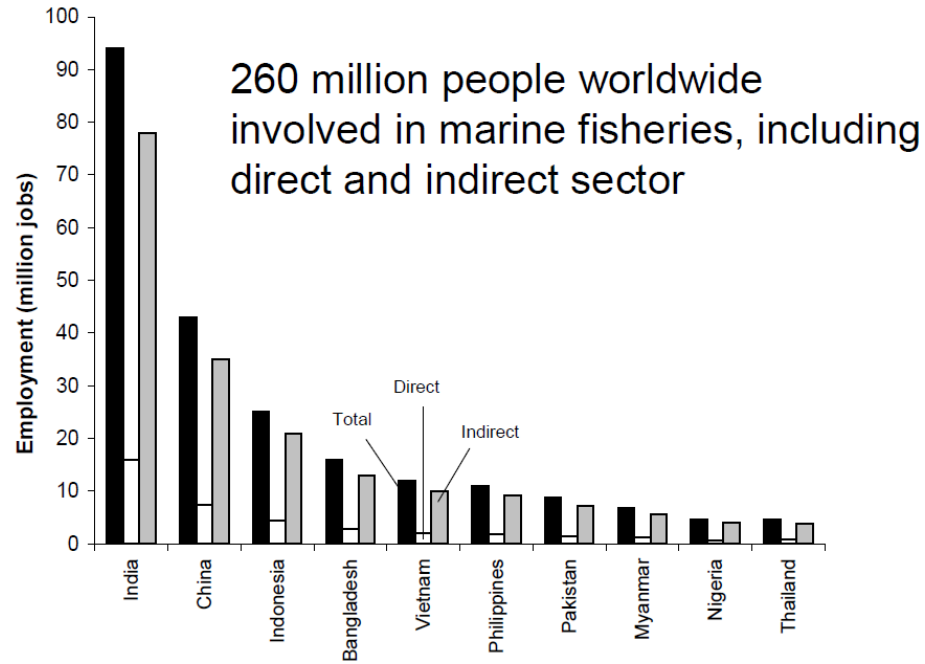
# Declining Global Fish Stocks



Source: FAO SOFIA Report (2018)

● Biologically unsustainable ● Biologically sustainable

# Declining Fish Stocks Have Serious Human Consequences



Top 10 countries providing marine employment

Source: Teh & Sumaila (2011)

## COMMENT

**POLICY** Rubric for prioritizing action on the Sustainability Development Goals p.320

**PHYSICS** A fond history of the Cavendish, a lab with few rivals p.323

**FILM** Biomechanics adviser to *Finding Dory* in conversation p.325

**REPRODUCIBILITY** A call to shun predatory journals p.328



Women from a traditional sea-harvesting community fishing in Mozambique.

## Fall in fish catch threatens human health

Christopher Golden and colleagues calculate that declining numbers of marine fish will spell more malnutrition in many developing nations.

# Failure to reach an agreement...

## The New York Times Global Trade Tensions Boil Over at Staid W.T.O. Forum

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### WTO chief warns of worst crisis in global trade since 1947

**Forbes** INDIA Magazine Lists Web Specials Thought Leadership ...

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### Stretched to breaking point: WTO is becoming dysfunctional

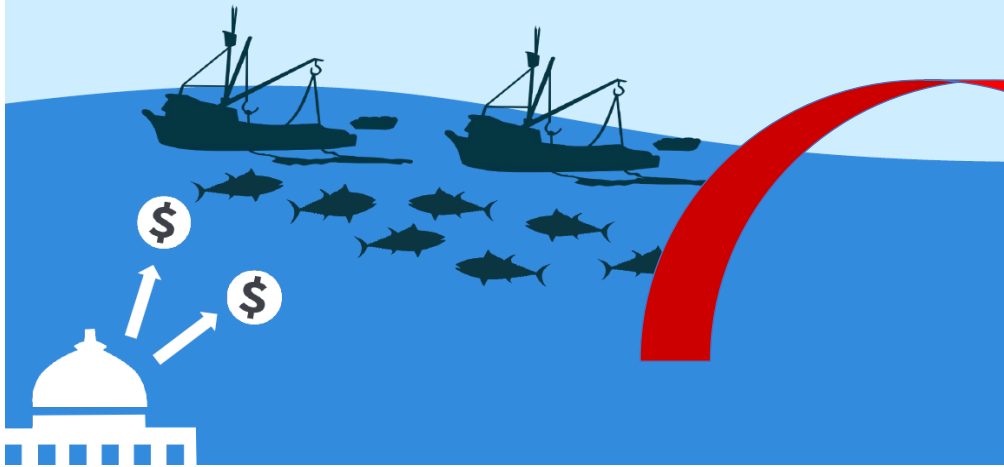
Growing disputes are making the World Trade Organization increasingly dysfunctional. Will it lead to a complete overhaul?

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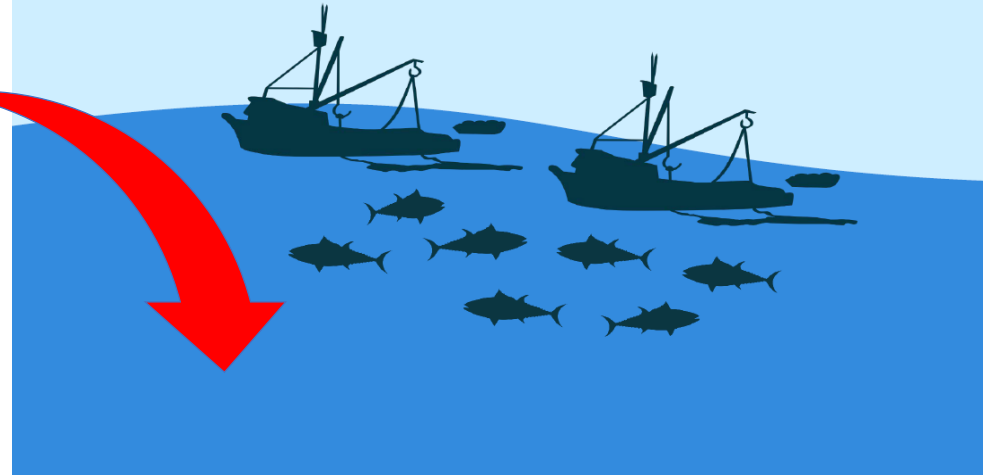


# Failure for the WTO...?

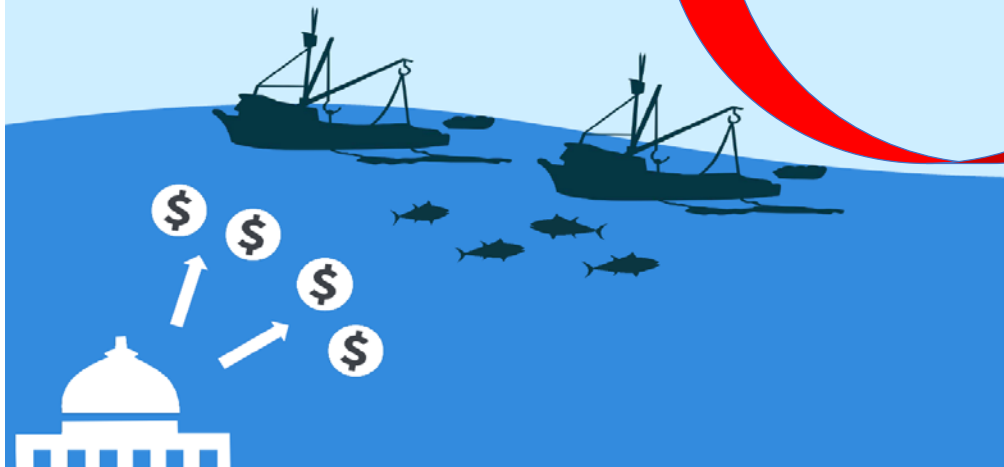
Fishers ask for government assistance to supplement livelihoods



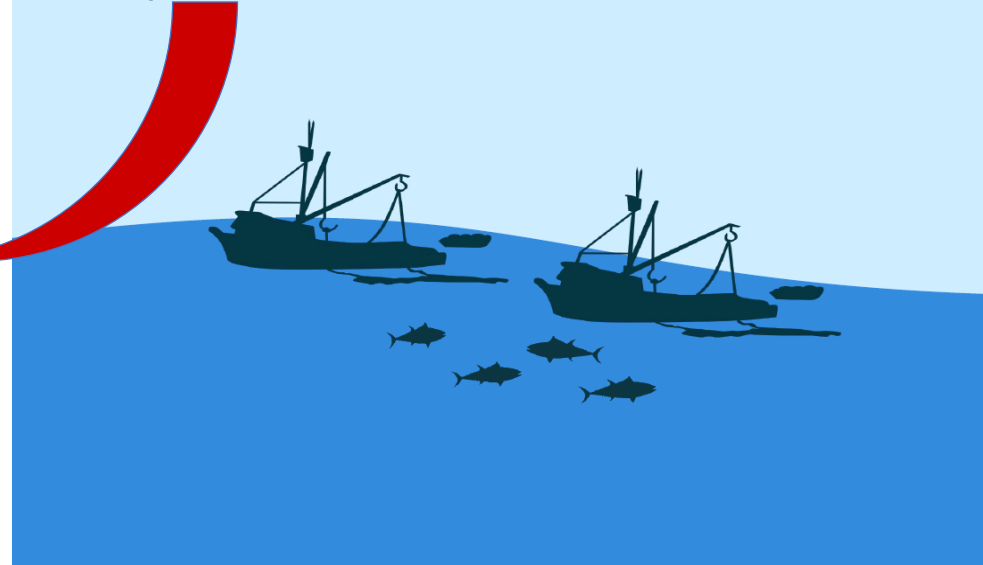
Subsidies allow increases in fishing. For a time, fishers are better off



Fishers ask for additional subsidies, which perpetuates overfishing

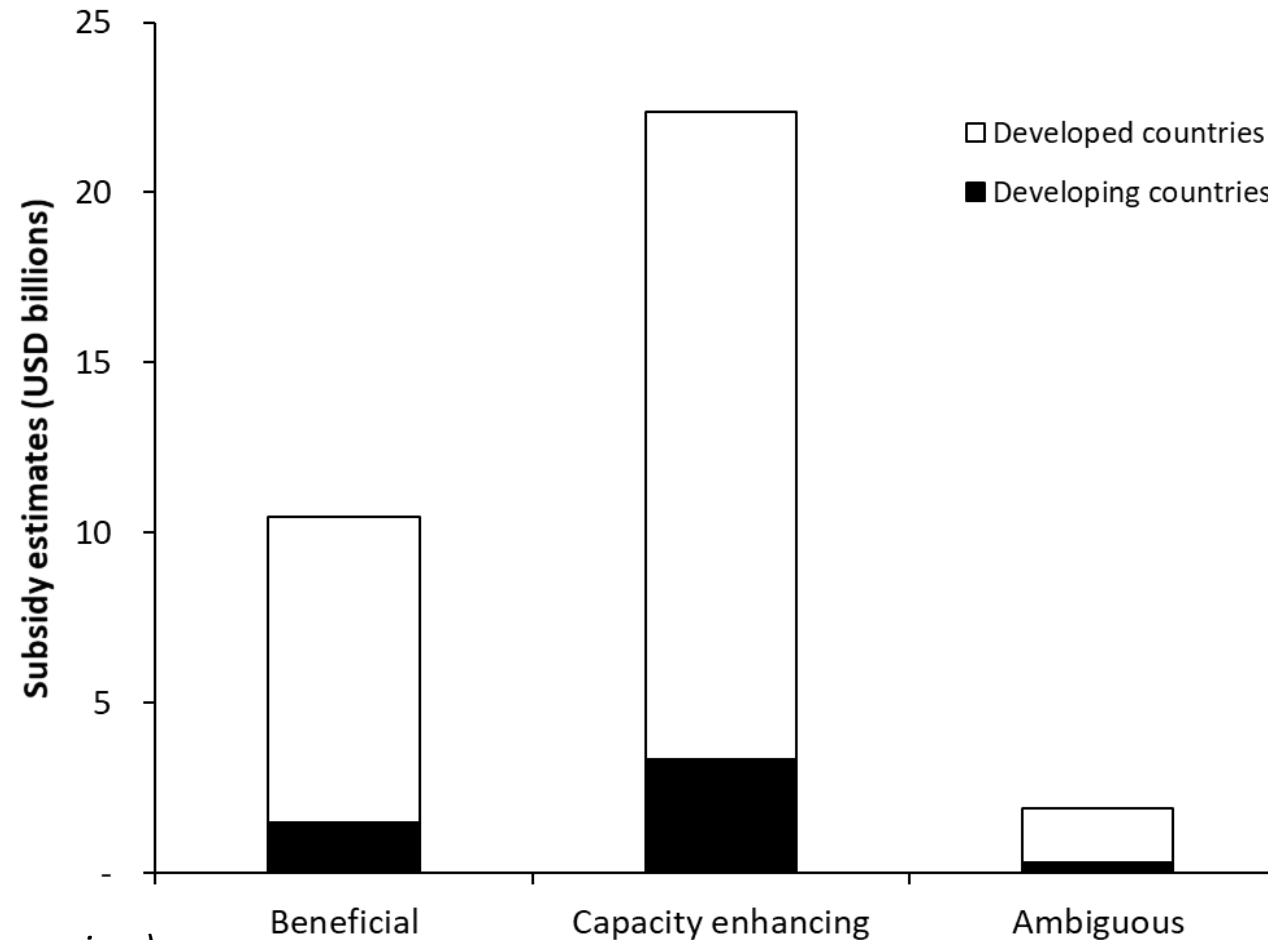


With time, stocks decline, which compromises fishers' livelihoods





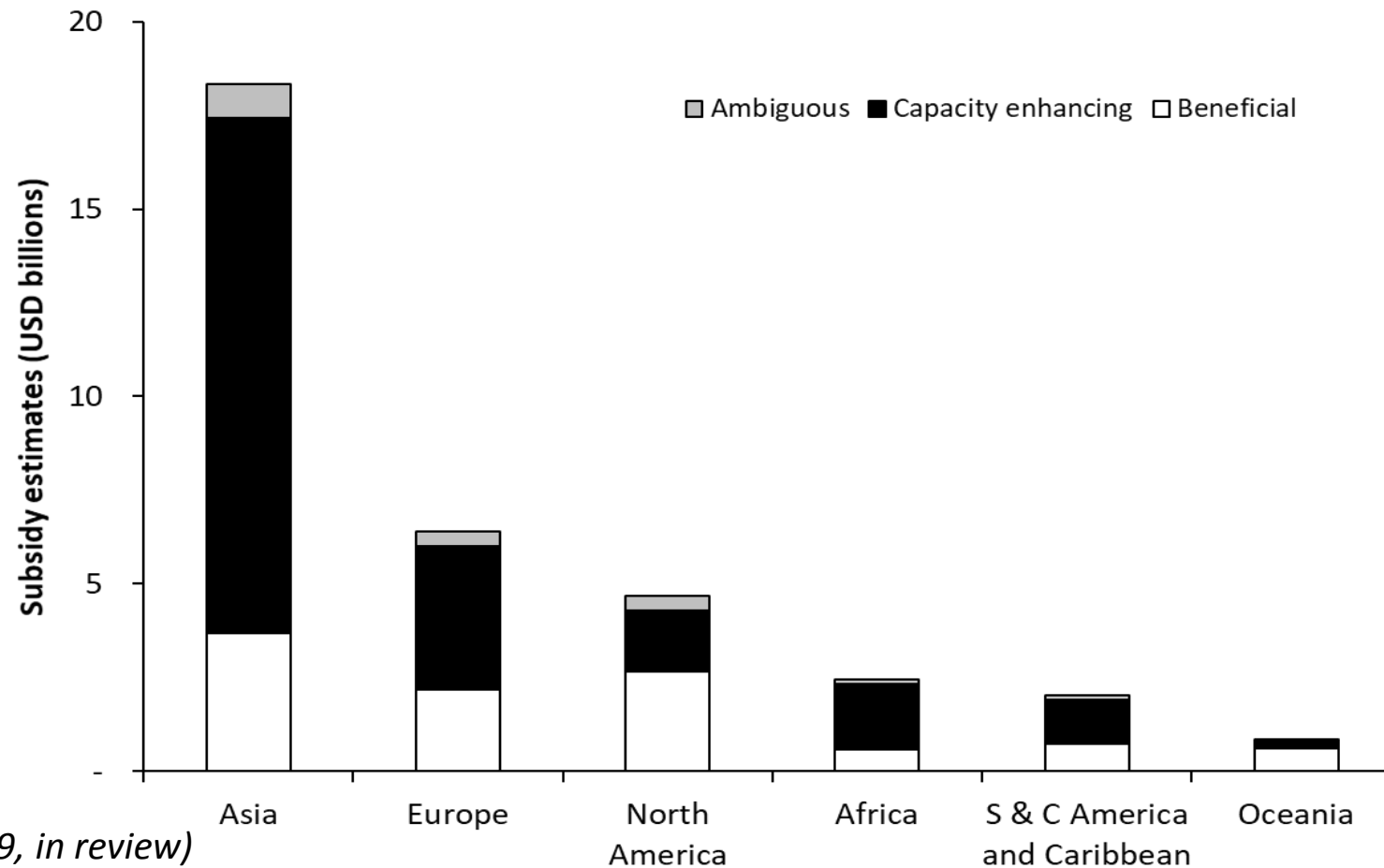
# \$22.5 billion in harmful subsidies in 2018



**Total subsidies decrease, proportion that are harmful increase**

Source: Sumaila et al (2019, in review)

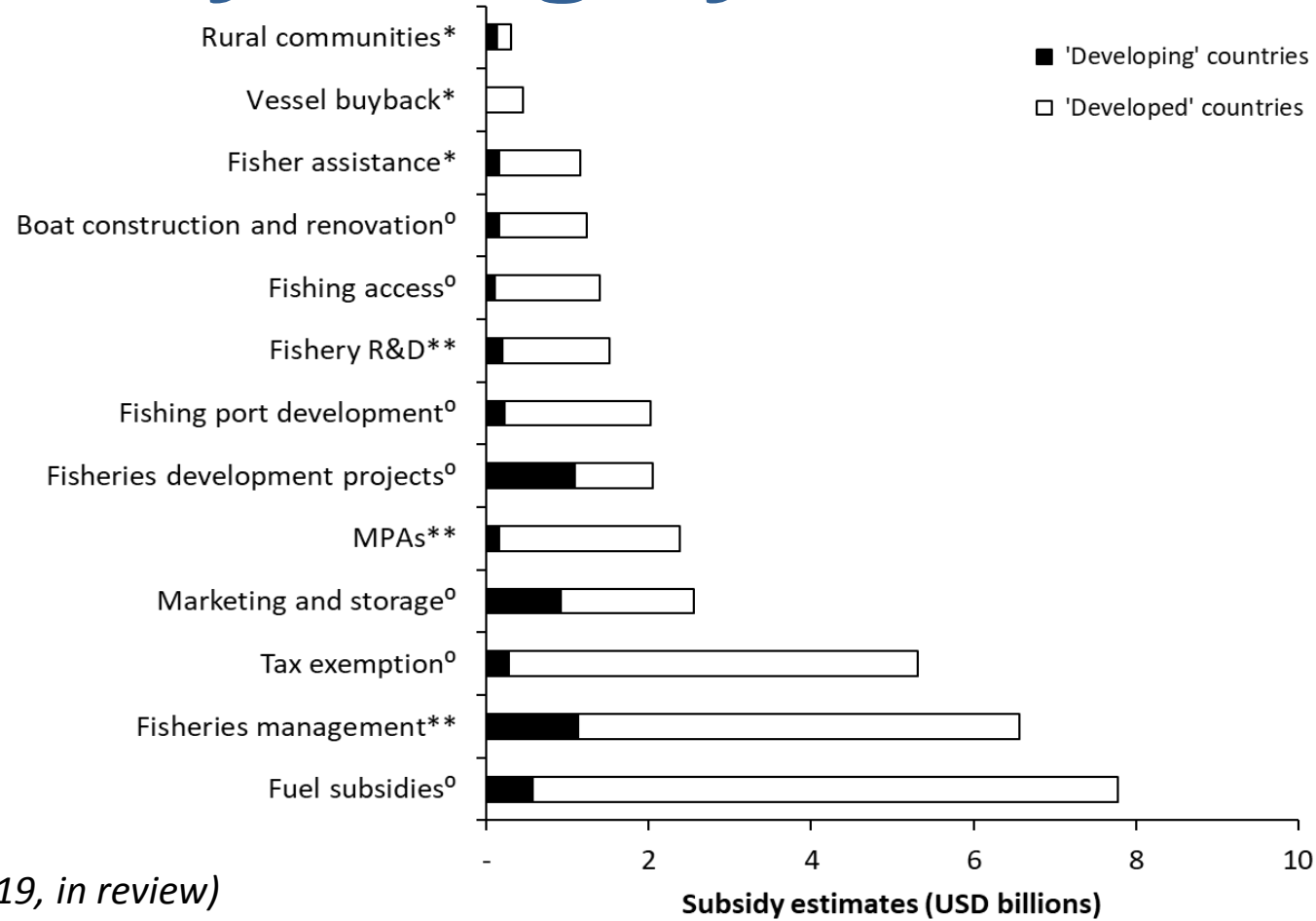
# Subsidies by Region/Continent



Source: Sumaila et al (2019, in review)



# Subsidies by Category



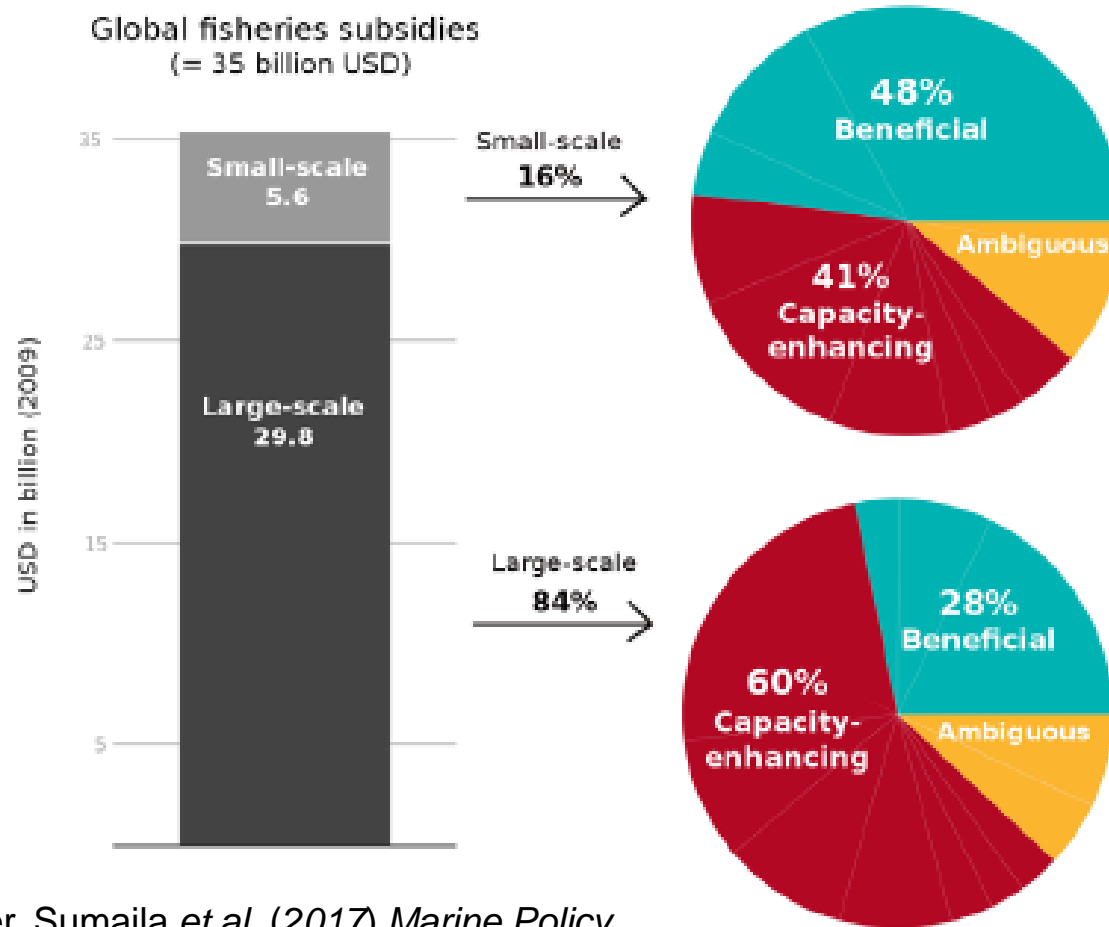
Source: Sumaila et al (2019, in review)

# Subsidies Around the World

Country	Beneficial (USD million)	Capacity enhancing (USD million)	Ambiguous (USD million)	Total (USD million)
China	87	5,516	348	5,952
EU	1,523	2,036	244	3,803
USA	2,187	1,136	106	3,429
Korea Rep.	1,635	1,500	50	3,185
Japan	534	2,111	215	2,860
Russia	295	1,162	54	1,512
Thailand	74	1,069	6	1,149
Indonesia	309	566	61	936

Source: Sumaila et al (2019, in review)

# Subsidies drive overfishing... and inequality



## Capacity-enhancing subsidies sabotage the SDGs

- Undermines the viability of SSF;
- Fuels gender inequality;
- May leave future generations with only jellyfish.

Source: Schuhbauer, Sumaila *et al.* (2017) *Marine Policy*

# Subsidies Artificially Increase Profits

Without government subsidies, as much as 54% of the present high-seas fishing grounds would be unprofitable at current fishing rates.

Source: Sala et al. (2018)

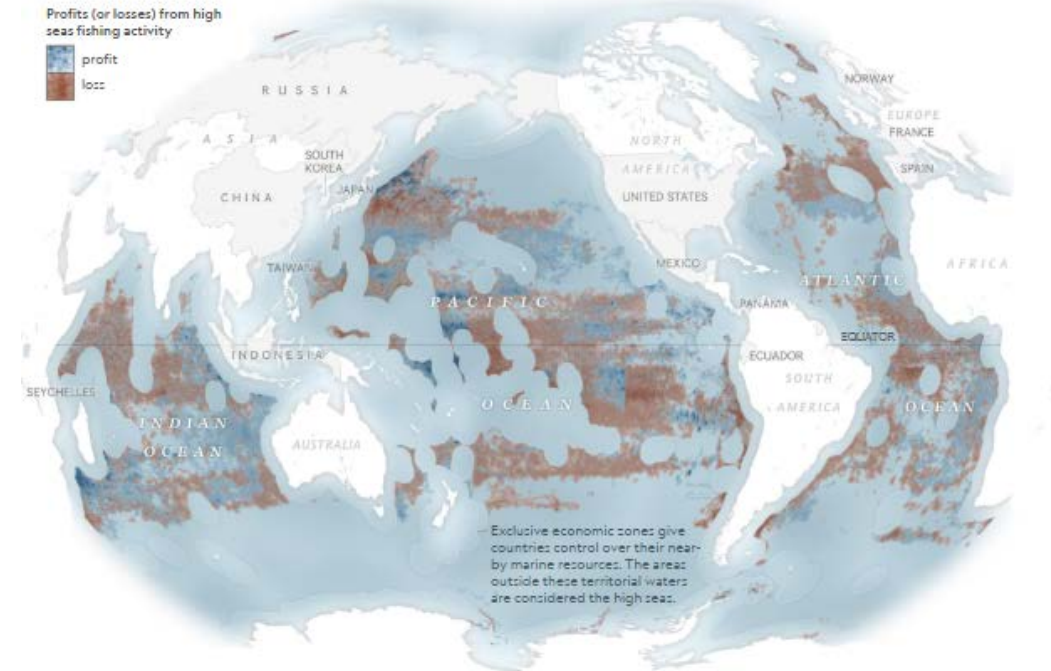
## HIGH SEAS, LOW PROFITS

When it comes to fishing outside any country's jurisdiction (the high seas), a large haul doesn't necessarily correlate with huge profits. Without large government subsidies, some of the world's most aggressive fishers come up short on cash.

Global high seas fishing, 2014

Profits	\$1.4 billion USD
Subsidies	\$4.2 billion USD

Profits (or losses) from high seas fishing activity



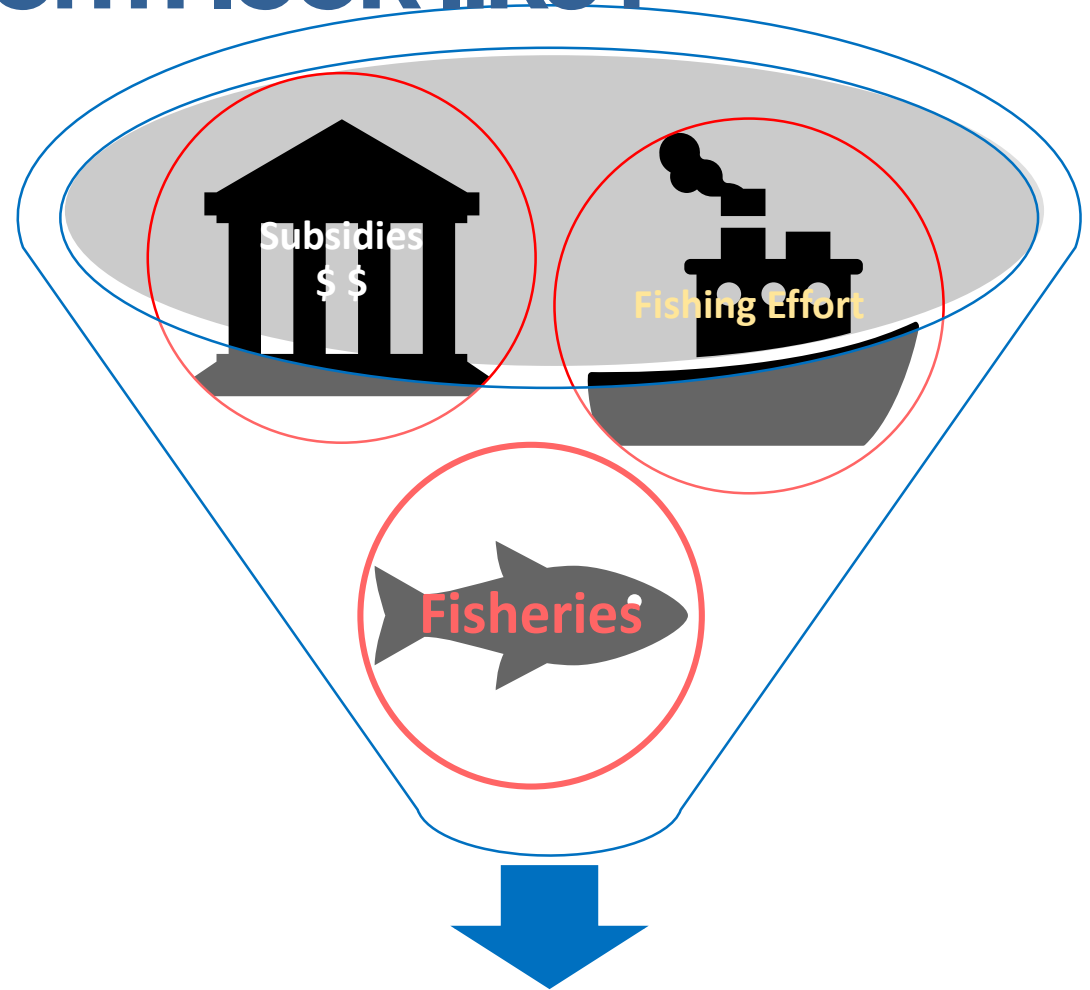
Exclusive economic zones give countries control over their nearby marine resources. The areas outside these territorial waters are considered the high seas.

Many of the places with the largest catches depend on subsidies and low labor costs to avoid losing money.



SOREN WALLJASPER, NG STAFF  
SOURCE: JUAN MAYORGA, ENRIC SALA, AND OTHERS, "THE ECONOMICS OF FISHING THE HIGH SEAS," SCIENCE ADVANCES, 2018

# What does ambitious reform look like?



What might reform look like for Fish Biomass, Catch and Revenue?

Source: Costello et al (2019, in progress)

# Exploring reform scenarios

- IUU discipline → triggered by vessels that appear on RFMO or national IUU lists
- High seas discipline → triggered by vessels that spend at least 5% of their time fishing on the high seas and receive capacity-enhancing subsidies
- Capacity-enhancing discipline → triggered by vessels flagged to states that provide capacity-enhancing subsidies

*Source: Costello et al (2019, in progress)*

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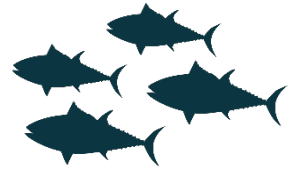
# Exploring reform scenarios

- IUU discipline → affects **< 1%** of global fishing effort
- High seas discipline → affects **32%** of global fishing effort
- Capacity-enhancing discipline → affects **99%** of global fishing effort

Source: Costello et al (2019, in progress)



# Modeling removal of all capacity-enhancing subsidies



Biomass ↑ up to **35%**



Catch ↑ up to **26%**



Fishing Mortality ↓ up to **19%**

# Four Policy Conclusions From Research

1. *Be ambitious*
2. *Support fishers through the transition*
3. *Promote cross-country technical and financial assistance*
4. *Simultaneously reform fishery management*

Source: Costello et al (2019, in progress)



Introduction

Global fisheries subsidies today <

Reforming fisheries subsidies <

# SubsidyExplorer

An interactive toolkit to explore the tradeoffs associated with fisheries subsidies disciplines

[Learn more about fisheries subsidies](#)

[Explore options for reforming fisheries subsidies](#)



# Select a policy

Select subsidy discipline(s) from the list below. Possible disciplines are sorted into four categories: 1) illegal, unreported, and unregulated (IUU) fishing, 2) overfished and unassessed stocks, and 3) overfishing and overcapacity, and 4) subsidy caps.

Once you have selected at least one discipline from a category, you will be able to specify the scope of all disciplines from that category, as well as any special and differential treatment. Once you are happy with your selection(s), press the "Process selection" button, which will move you to the next tab.


### Custom description of policy:

Process selection

Illegal, unreported, and unregulated (IUU) fishing +

Overfished and unassessed stocks +

Overcapacity and overfishing -

**The following types of subsidies are considered to contribute to overcapacity and overfishing and are prohibited...** 

- Boat construction, renewal and modernization programs
- Fishery development projects and support services
- Fishing port construction and renovation programs
- Price and marketing support, processing and storage infrastructure programs
- Non-fuel tax exemptions
- Foreign access agreements
- Fuel subsidies

# Which states would be affected

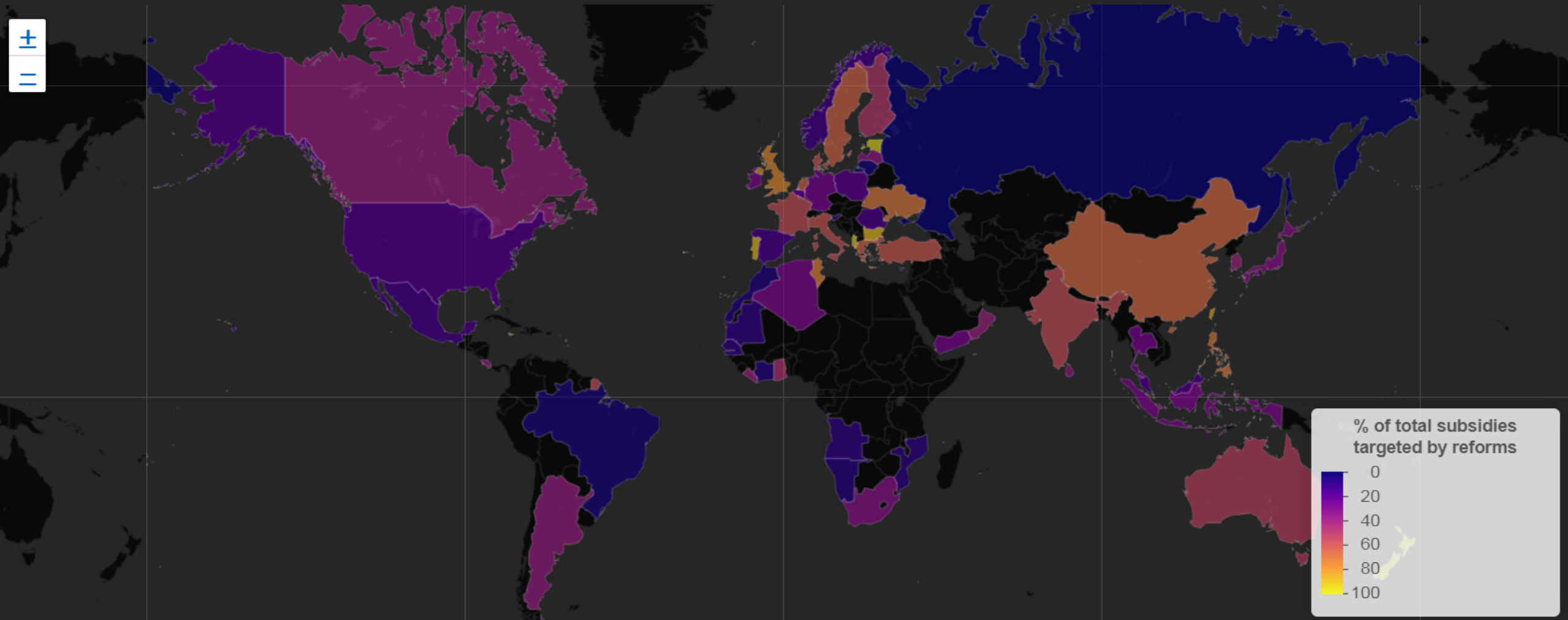
This map shows the percent of fishery subsidies for each flag state that would likely be affected by your policy selection(s). Hover your mouse over each state on the map to learn more. If no map is visible, please return to the previous tab, make your policy selection(s), then press 'Process selection'. A summary of your policy selections can be found at the bottom of the page.

## Global totals:

**Vessels affected:** 80,376 (96.51%)

**Fishing effort affected (hours):** 45,685,081 (95%)

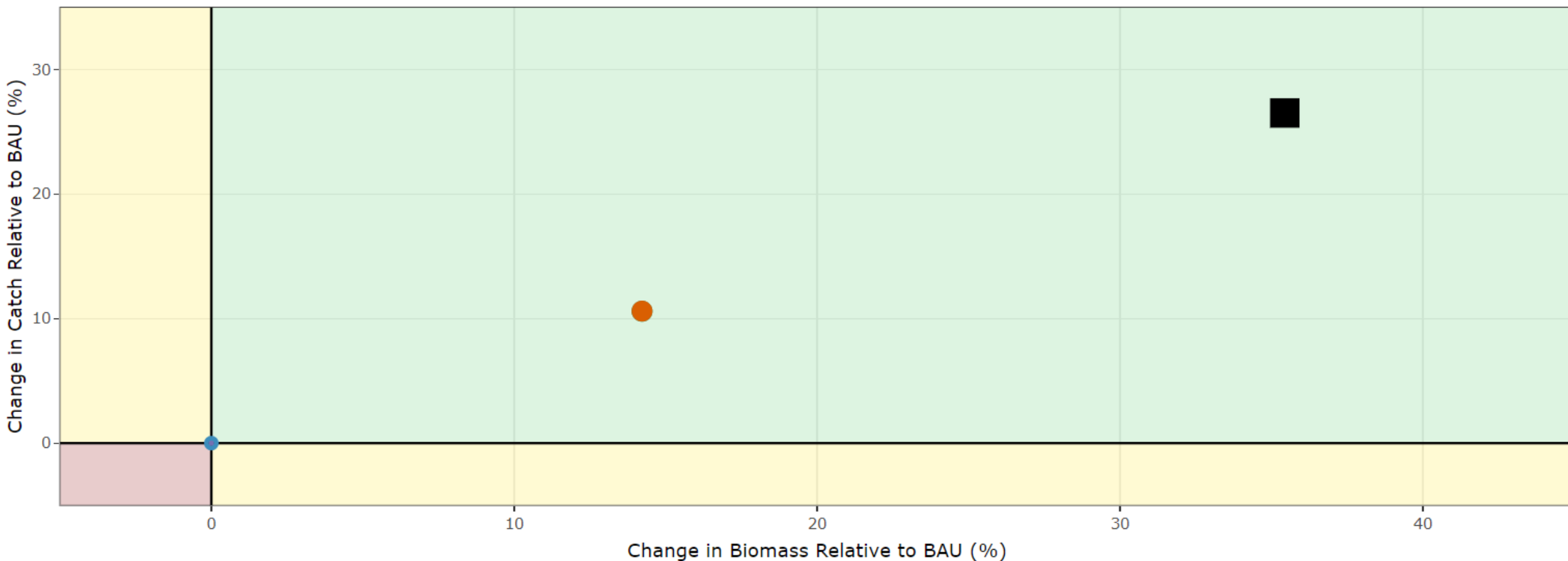
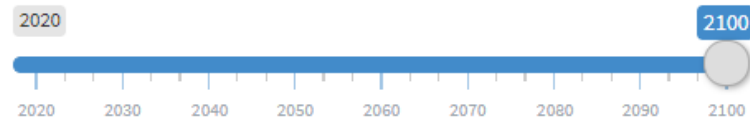
**Fishing effort affected (kWh):** 25,986,361,622 (91.26%)



## Bioeconomic simulation results

This plot shows the potential effect your policy selections may have on fish biomass, catch, and revenue in the future. This plot indicates the percent change each variable would achieve relative to a “business as usual” scenario that assumes today’s fisheries subsidies regime persists into the future. Percent change in biomass is shown on the x-axis, percent change in catch is shown on the y-axis, and the size of the point represents percent change in revenue. If no figure is visible, please return to the “Select a policy” tab, make any desired selections, then press 'Process Selection'. Select the desired end year for the projection with the slider to the right.

Simulation end year:





# Regional Outreach Efforts







# ENDING HARMFUL FISHERIES SUBSIDIES IN INDIA FOLLOWING SDG 14.6

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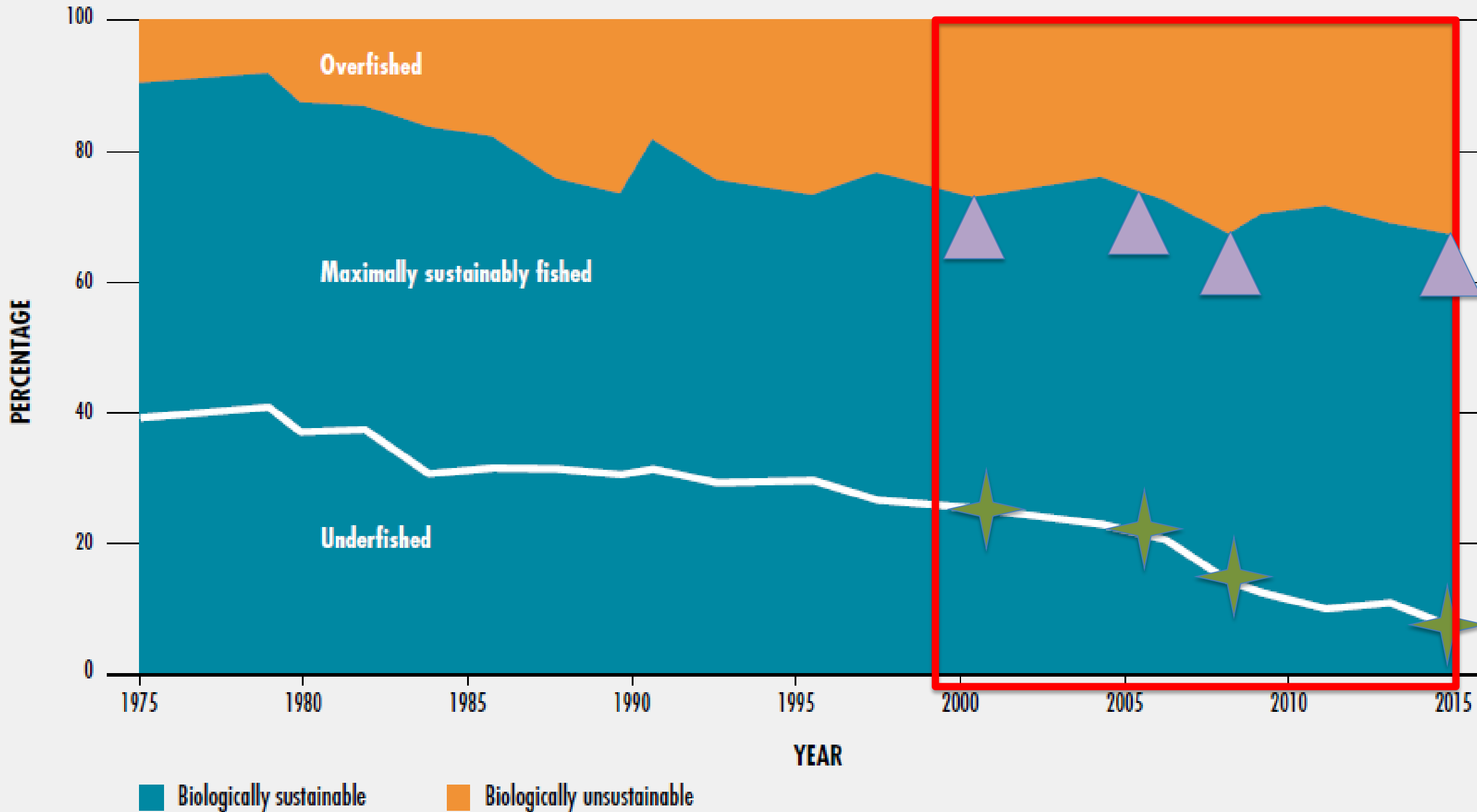


## MISSION STATEMENT

The goal of this project is that India supports global and national policies to curtail harmful fisheries

# What Now? The Road to December







A large school of fish swimming in clear blue water. The fish are densely packed and appear to be moving in a coordinated pattern. The water is a vibrant teal color, and the fish are silvery with some darker spots. The overall scene is dynamic and captures a natural marine phenomenon.

The cost of inaction is too high.

**WTO, end the  
subsidies that  
drive overfishing.**