



Towards Model Provisions for Trade in Times of Crisis and Pandemic  
in Regional and Other Trade Agreements  
Webinar Series - 28, 29, 30 October and 2 November 2020

# Provisions for trade of fish and fish products in trade agreements in times of crisis and pandemic

## Recommendations for negotiation and capacity building

Yi Tang

Shanghai Ocean University

2020/10/21



# Introduction

- This report intends to understand challenges upon fish trade and contribute to build a better post COVID-19 trading system by drawing on China's experience.
- Period cover: 10 January 2020 - 1 October 2020
- Focus: fish trade; supply chain
- Some recommendations are given based on findings
  - **Regional Trade Agreement**
  - Capacity building



**Towards Model Provisions for Trade in Times of Crisis and Pandemic  
in Regional and Other Trade Agreements**  
Webinar Series - 28, 29, 30 October and 2 November 2020

**1**

**Trade of fish and fish products: China's Perspective**

**2**

**Implications to Regional Trade Agreements**



Towards Model Provisions for Trade in Times of Crisis and Pandemic  
in Regional and Other Trade Agreements  
Webinar Series - 28, 29, 30 October and 2 November 2020

1

## **Trade of fish and fish products: China's Perspective**

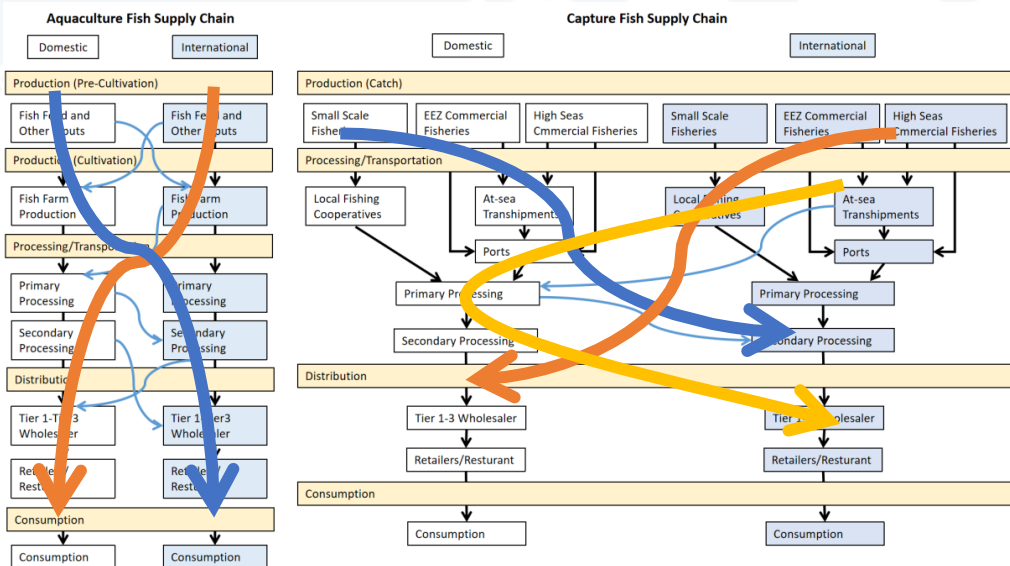




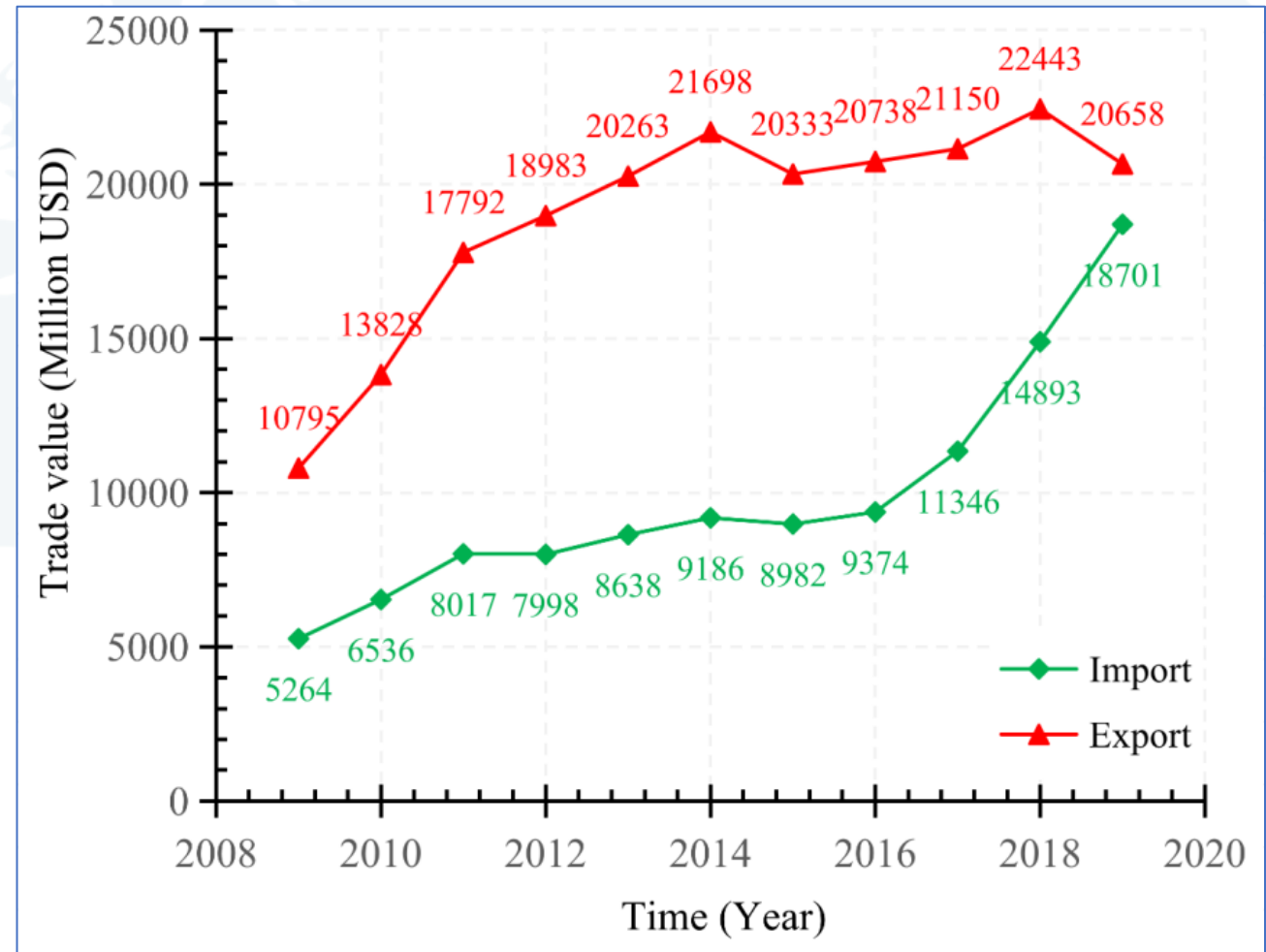
COVID-19  
RESPONSE

# Towards Model Provisions for Trade in Times of Crisis and Pandemic in Regional and Other Trade Agreements

Webinar Series - 28, 29, 30 October and 2 November 2020



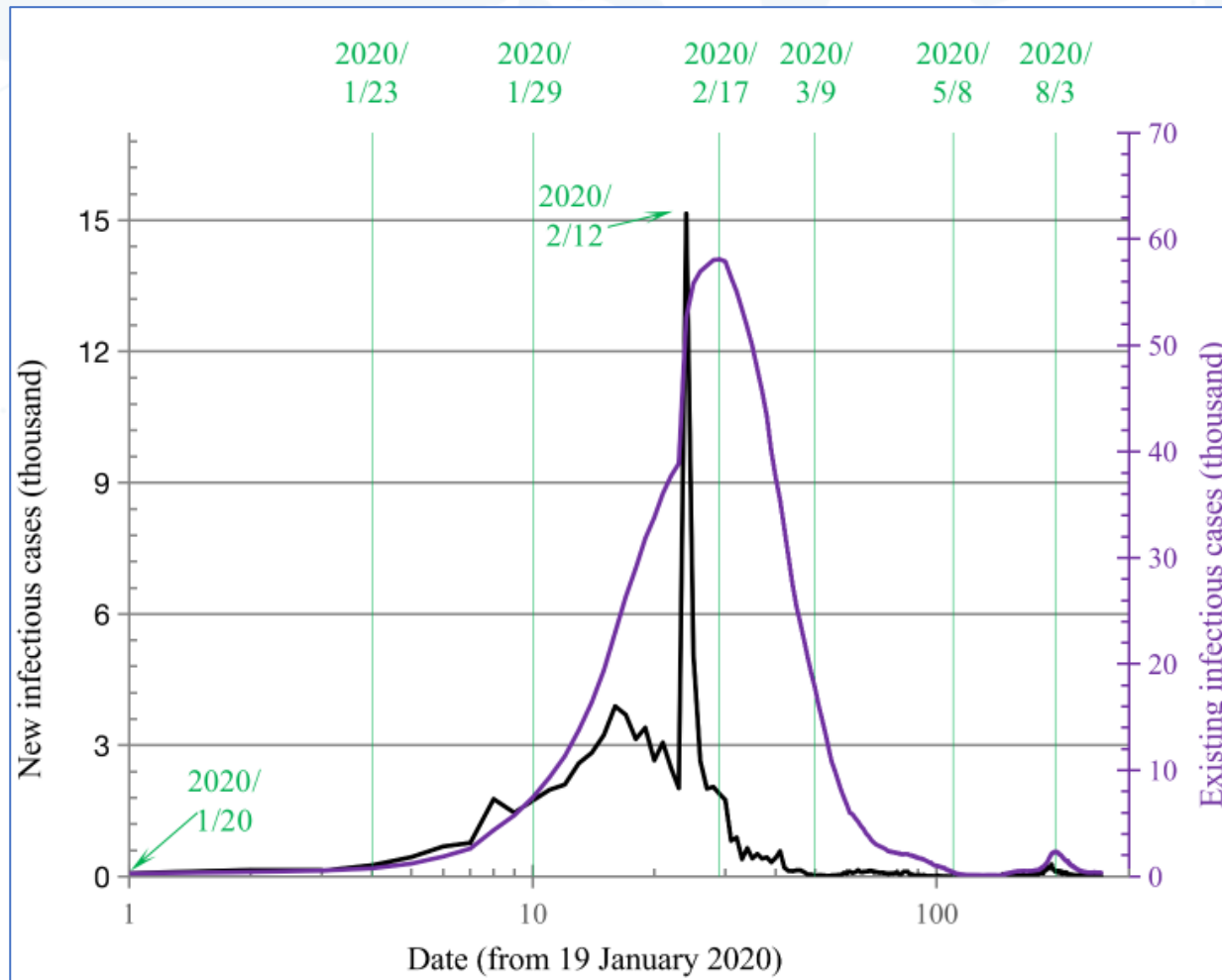
China is a major player in international fish market, with a trade value of \$393.59 billion in 2019. Import has experienced a rapid growth since 2015. Export is kept at high level with more than \$200 billion value since 2013.





# Towards Model Provisions for Trade in Times of Crisis and Pandemic in Regional and Other Trade Agreements

Webinar Series - 28, 29, 30 October and 2 November 2020



## Change of human infectious cases in China

### 10 January 2020 - 1 October 2020

COVID-19 is primarily a public health crisis, impact upon trade is closely related to the control of disease

- First country with outbreak of COVID-19
- First country shows sign of recovery

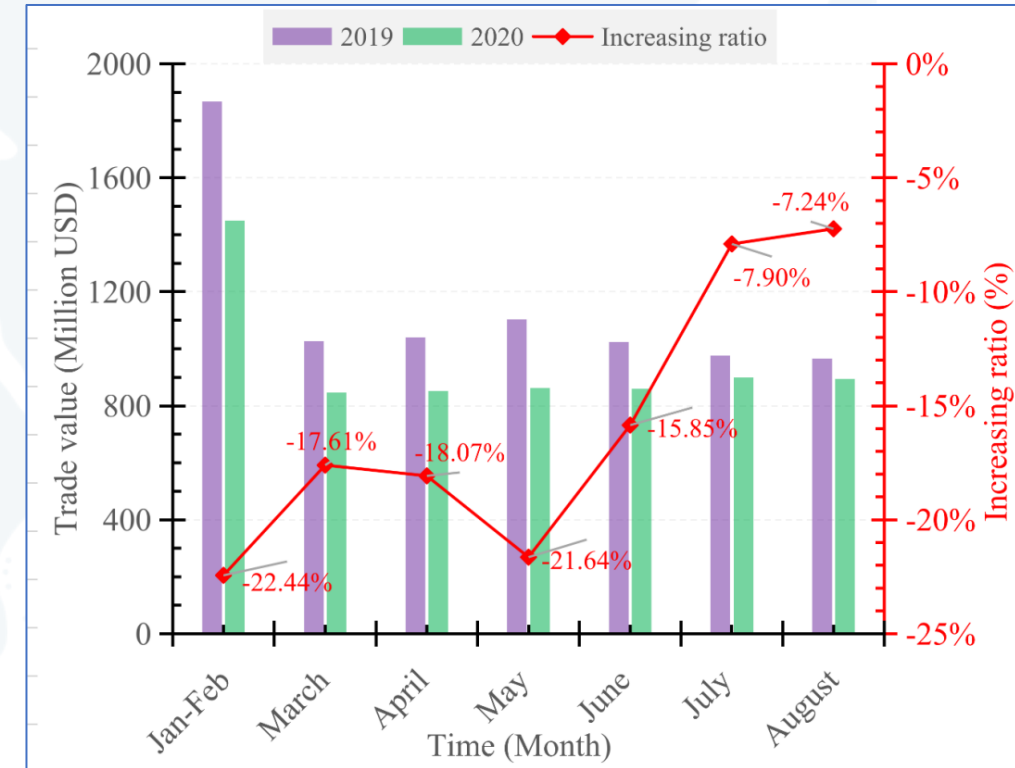
## Export Side (HS Code: 03)

- Dropped heavily in January and February
- Fell into reduction again in May
- Recover since May, the gap is narrowed down to 7.24% in August, in comparison with last year

Unit: thousand USD

		Jan-Feb	Mar	Apr	May	June	July	August
Total	2019	1,515,659	852,643	878,320	941,305	870,699	829,786	817,659
	2020	###	705,247	749,677	772,808	750,488	776,217	768,216
EU	2019	256,066	120,387	177,774	180,888	169,471	163,063	163,063
	2020	185,156	101,058	136,872	119,927	107,890	121,836	118,473
Japan	2019	296,585	150,451	145,399	206,127	168,058	185,400	145,391
	2020	258,366	139,027	132,835	151,494	122,449	151,162	140,667
the US	2019	191,553	79,904	120,052	130,178	113,009	107,599	115,577
	2020	148,168	71,497	87,797	81,492	100,465	102,950	99,189
Korea	2019	215,998	119,962	128,023	98,689	104,469	97,307	93,548
	2020	164,547	71,615	100,636	111,112	115,216	104,759	108,329
Hongkong	2019	141,627	99,964	61,393	81,342	76,605	68,062	71,870
	2020	109,613	71,260	71,193	80,336	75,415	75,562	74,735
Germany	2019	67,374	43,761	58,703	62,131	59,886	54,401	61,706
	2020	49,168	28,876	46,202	45,385	34,449	35,891	37,931
Thailand	2019	104,418	94,596	53,730	55,175	43,983	36,022	40,836
	2020	82,015	100,752	76,611	78,015	94,939	79,774	80,772
Taiwan	2019	115,897	61,964	55,750	54,250	52,068	40,706	38,301
	2020	88,190	48,987	41,627	39,560	37,493	33,071	34,811
UK	2019	49,933	23,840	31,578	37,987	36,605	34,552	39,278
	2020	38,952	24,608	28,182	33,901	30,154	34,396	28,138
Philippines	2019	76,208	57,814	45,965	34,538	38,242	36,266	48,089
	2020	81,558	47,567	27,722	31,586	32,018	36,817	45,171

Note: The EU statistics cover 27 countries, excluding the UK. Germany is also listed as it is the tenth biggest trading partner.  
The Customs did not divide January and February in published data.





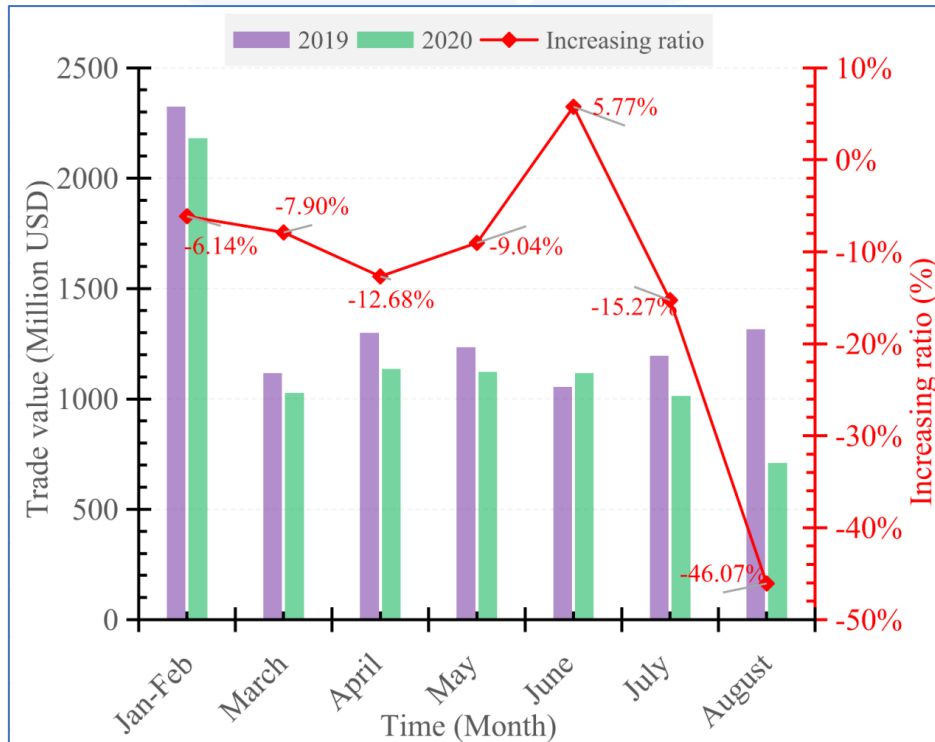


# Towards Model Provisions for Trade in Times of Crisis and Pandemic in Regional and Other Trade Agreements

## Webinar Series - 28, 29, 30 October and 2 November 2020

### Import Side (HS Code: 03)

- Not hit as hard as export in the first quarter
- Even made growth from May - June
- Drop heavily since June



Unit: thousand USD

		Jan-Feb		Mar		Apr		May		June		July		August	
Total	2019	1,366,533	-7.95%	731,754	-22.75%	839,321	-19.27%	723,524	-5.33%	593,922	-1.31%	691,176	-18.75%	800,990	-44.84%
	2020	1,257,940		565,285		677,604		684,992		586,135		561,565		441,829	
Russian	2019	287,409	16.87%	255,720	-9.91%	321,119	-28.56%	159,238	-20.43%	98,676	-2.91%	146,963	-19.76%	206,115	-60.00%
	2020	335,897		230,384		229,401		126,708		95,801		117,922		82,452	
India	2019	166,362	3.17%	59,881	-20.39%	77,395	-25.49%	88,740	9.66%	92,928	3.48%	109,875	-38.69%	104,668	-66.74%
	2020	171,641		47,671		57,667		97,316		96,163		67,363		34,812	
the US	2019	107,195	-54.42%	91,757	-33.34%	99,735	4.35%	79,241	-1.31%	60,239	24.54%	52,811	-1.59%	84,427	-59.94%
	2020	48,857		61,163		104,070		78,199		75,024		51,973		33,818	
Canada	2019	202,855	-8.83%	62,267	-33.93%	78,372	-49.17%	78,747	-19.58%	72,002	-28.33%	116,125	-47.95%	115,235	-25.40%
	2020	184,938		41,141		39,834		63,327		51,605		60,443		85,964	
Vietnam	2019	79,703	11.79%	46,539	-3.16%	54,957	73.62%	71,475	52.41%	76,947	30.63%	92,951	-3.20%	98,774	-7.01%
	2020	89,103		45,068		95,419		108,933		100,513		89,974		91,852	
New Zealand	2019	62,631	-28.56%	31,242	-41.40%	35,187	-26.61%	61,714	-30.95%	54,950	-41.35%	33,256	-15.50%	34,083	-43.26%
	2020	44,742		18,309		25,823		42,616		32,227		28,100		19,338	
Australia	2019	190,328	-29.47%	65,162	-73.58%	51,202	-39.47%	56,997	-10.76%	37,001	-5.49%	32,276	26.34%	41,271	-26.74%
	2020	134,234		17,215		30,993		50,864		34,971		40,776		30,234	
Indonesia	2019	120,420	-8.55%	47,256	9.56%	44,373	37.92%	50,077	38.62%	35,953	52.41%	37,171	21.70%	36,043	8.02%
	2020	110,119		51,774		61,201		69,417		54,795		45,236		38,935	
Chile	2019	91,407	-11.06%	38,086	-38.33%	38,648	-60.42%	44,351	-47.08%	36,299	-47.00%	37,954	-31.57%	41,654	-82.93%
	2020	81,298		23,486		15,295		23,470		19,237		25,972		7,109	
EU	2019	58223	-1.91%	33844	-14.09%	38,333	-53.30%	32,944	-26.72%	28,927	-10.81%	31,794	6.33%	38,720	-55.28%
	2020	57,111		29,074		17,901		24,142		25,799		33,806		17,315	

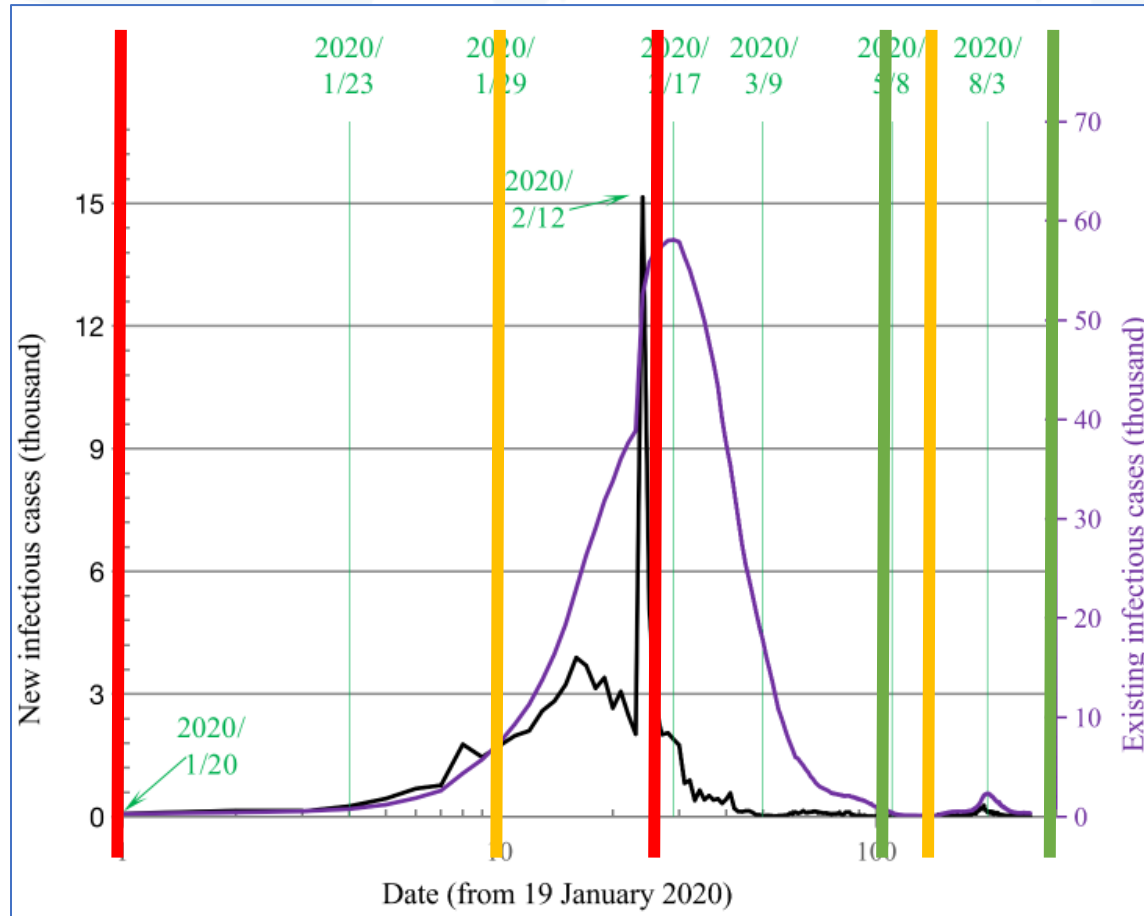
Note: the data of EU covers 27 countries, excluding the UK.





# Towards Model Provisions for Trade in Times of Crisis and Pandemic in Regional and Other Trade Agreements

Webinar Series - 28, 29, 30 October and 2 November 2020



**Stage One (red): initial outbreak**

**Stage Two (yellow): crisis management**

**Stage Three (green): recovery and preventing second wave of outbreak**

## • Challenges and Practice

### Main challenges

- Identify source of disease
- Import restriction or inspection
- Disruption in domestic fish supply

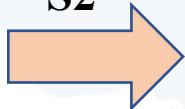
- Uncertainty from foreign market due to lockdown and quarantine measures
- Disruption in transportation
- Border control measures

- **Balance: efficiency vs safety**
- **New risk identified: cold chain event**

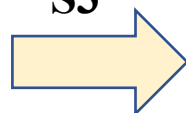
S1



S2



S3



### Practices

- Temporary ban - clearly exclude fish
- Secure Transportation
- Innovative distribution

- Reduce costs: Custom, MoC, MoT
- Shift to regional market
- Boom of e-commerce

- Shift to regional market
- Turning to domestic market
- Boom of e-commerce



Towards Model Provisions for Trade in Times of Crisis and Pandemic  
in Regional and Other Trade Agreements  
Webinar Series - 28, 29, 30 October and 2 November 2020

2

## Implications to Regional Trade Agreements



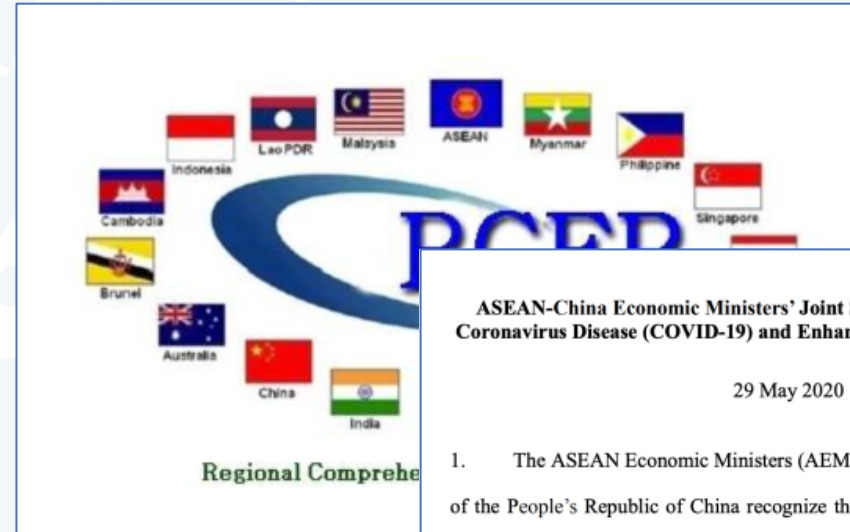


# Towards Model Provisions for Trade in Times of Crisis and Pandemic in Regional and Other Trade Agreements

## Webinar Series - 28, 29, 30 October and 2 November 2020

### • Overview

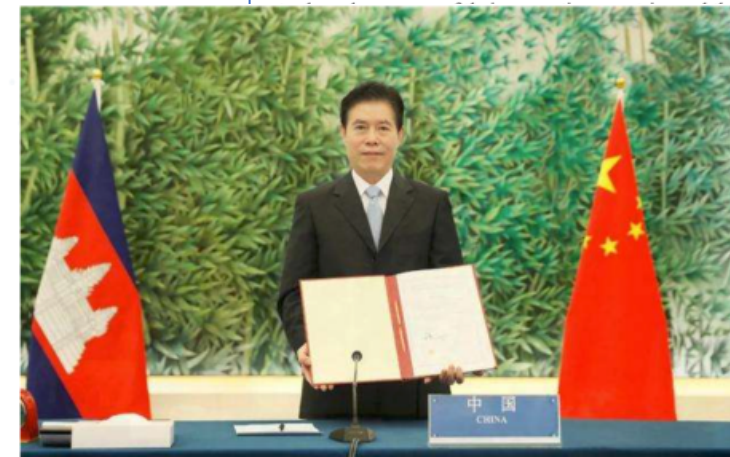
- A growing regional market
  - AECAN countries
  - South Korea
  
- Closer regional cooperation
  - ASEAN, China, Japan and Korea (10+3 declaration)
  - RCEP
  - China + Korea Free Trade Agreement
  - China-Cambodia Free Trade Agreement
  - Free Trade Zone: new member - Beijing



**ASEAN-China Economic Ministers' Joint Statement on Combating the Coronavirus Disease (COVID-19) and Enhancing ACFTA Cooperation**

29 May 2020

1. The ASEAN Economic Ministers (AEM) and the Minister of Commerce of the People's Republic of China recognize the tireless efforts and significant contributions made by organizations and individuals in response to the Coronavirus Disease (COVID-19) pandemic and reaffirm their commitment to work closely in the fight against this pandemic and its adverse impact on the



world at large. They call  
 on global and regional  
 confidence, as well as  
 th of international trade



## Better mechanism to deal with uncertainty in times of crisis

### Issues:

- Exception provisions and SPS provisions are identified as highly relevant
  - By examining its history, it is not well equipped to target present situation
- Certain restrictive measures are not justified, which may cause high uncertainty in export activities. This has substantially damaged trade activities.
  - Some measures can effectively improve transparency between States, an essential measure to reduced uncertainty
  - Establishment of warning system can help enterprises to judge risk and better prepare
  - Cooperation between Customs and domestic departments is essential for efficient risk control

### Recommendations

- Requirement of “necessity” test for countries to take unilateral restrict measures
- Transparency should be improved in communicating control measures, quarantine and local infection
- May introduce dispute adjudication board mechanism into the RTAs?





## Facilitation measures to promote trade during crisis

### Issues

- Increased trade costs
- Difficulties to strike balance between tightened control requirements and efficiency

- State has played a pivotal role in supporting domestic and international transportation, which can reduce costs
- Measures to resolve the storage of perishable goods and prioritized release of goods can effectively reduce costs
- Measures can be employed to reduce human contact, thus alleviate pressures on border control. Good practice includes paperless inspection procedure, one window for all, electronic declaration

### Recommendations

- Crystallize good practice, especially Custom rules and declaration documents required during this pandemic by incorporating them into RTA
- Impose transitional measures for cargos “in transit” and “on road” trucks?





United Nations



## Promotion of digital trade in RTA

### **Issue:**

- Movement of people is largely restricted, exhibition suspended
- Difficulties to build up “trust” in cross-border transaction
- Discrimination against SMEs

- Associations organized online exhibition
- Stimulating policies to reward online sale
- Domestic e-commerce has shown better performance
- Many “soft infrastructures”, such as consumer protection, digital certificates, electronic authentication, and paperless trade facilitation are still under developed

### **Recommendations**

- An independent chapter on digital trade may be introduced into RTA
- Domestic legal support is essential, which shall be considered in RTA



- **Concluding remarks**

- This pandemic has exposed some limits in multi-lateral and regional trade agreements in crisis response and management, which cause high uncertainty and increased costs in fish trade.
- From a country's perspective, some measures can be taken to mitigate the risk. Some of these measures may be crystallized and incorporated into RTA.



Towards Model Provisions for Trade in Times of Crisis and Pandemic  
in Regional and Other Trade Agreements  
Webinar Series - 28, 29, 30 October and 2 November 2020

**THANK YOU VERY MUCH**