

**Fish, Trade, Fisheries Subsidies and SDG 14**  
**High Level Session co-organized by UNCTAD, FAO, UN Environment and the**  
**Commonwealth**  
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**Conference Room, Catalina**  
**Sheraton Buenos Aires Hotel & Conference Center**

Remarks by

**H.E. Mr. Wera Mori, Minister of** Minister for Trade, Commerce and Industry, Papua New Guinea

**Trade Barriers in Fish Trade**

Thank you Chair,

Let me begin by joining others to thank Dr Mukhisa Kituyi, Secretary General from UNCTAD for your invitation to participate in this event. Let me also acknowledge Mr. Peter Thomson, United Nations Special Envoy for Oceans. I would also like to thank Argentina for hosting the 11<sup>th</sup> WTO Ministerial Conference. I thank you for the warm welcome and hospitality accorded to me and my delegation.

- I would like to share my views on the subject of Trade Barriers in Fish Trade especially from a perspective of a small island developing economy in the Pacific. I would specifically like to focus on two main non-tariff measures that my country faces when exporting fish (1) Illegal Unregulated and Unreported measures, and (2) Sanitary and Phytosanitary and Technical Barriers to Trade.
- Let me set the backdrop by saying that PNG is a small island developing country in the Pacific with a population of about 8 million with about 70% living in the rural area mainly engaged in subsistence activity
- Being a small island economy in the Pacific we face a number of challenges such as higher freight costs because of our inherent geographical isolation and the distance from major markets, we don't have economies of scale with high costs of utilities such as water, electricity and telecommunication, and the lack of appropriate infrastructure such as wharves, jetties and cold storage facilities. The higher costs reduce our global competitiveness in fisheries trade.
- Papua New Guinea has a relatively small commercial fisheries sector that is largely based on tuna fishing and downstream processing in the country. Currently there are 6 processing plants operating in PNG with the combined aggregate investments at approximately PKG915 million; combined aggregated exports around USD 570 million; combined contributions to the national GDP around PGK 111 million; and direct employment close to 10,000 (more that 80% are women).
- On average (between 2012-2015), the production capacity reached 113 mt per day from a total production capacity of 800 mt per day. At the moment, only 23% of

catch landed is exported in raw form mainly to Asia for processing which are more cost efficient at processing due to their labour cost, low utility cost and other input services. This reflects the challenges I mentioned above (high costs of utilities, lack of appropriate infrastructure and economies of scale).

- PNG's EEZ is quite important as 25% of the world skip jack tuna. Government has recognized the fisheries resource as a strategic asset especially the commercial species (tuna).
- Government support and funding to promote trade and investment to address these challenges therefore is crucial especially as a to improve overall productivity in all sectors, including fisheries in this instance. Government support is also needed to respond to natural disasters caused by climate change, and to support the growth of sector through wharves and jetties.
- The Government vision is to reverse the situation and for more fish to be processed onshore. The Government is therefore investing in infrastructure projects such as the Pacific Marine Industrial Zones (PMIZ) where processors can operate under "tax free" condition at least in the interim until we build our global competitiveness and develop scale economies. Government has also adopted the National Strategy for Responsible Sustainable Development for Papua New Guinea (STaRs) which is the overarching guiding strategy to promote the sustainable use of our natural resources.
- The Papua New Guinea National Fisheries Authority (NFA) have measures in place to prevent IUU fishing, overfishing and unsustainable harvesting of the fisheries resource. I am pleased to say that PNG has a comprehensive fisheries management regime in place to ensure fisheries resources are sustainably managed and harvested. PNG is committed to the fight against IUU fishing and believes that IUU fishing is everybody's responsibility. Some of these measures implement by PNG include the following:
  - The Vessel Day Schemes (VDS) that is an effort based scheme where fishing effort is managed through the number of fishing days as opposed to fishing capacity measures as inputs (no. of vessels, total allowable catch,)
  - The National Plan of Action to combat, deter and eliminate IUU fishing, that is based on the FAO International Plan of Action on IUU
  - The 100% observer coverage on all purse seine operations
  - Seasonal closures, Closed areas,
  - Catch Documentation Scheme for traceability and legality of fish caught
  - Fishing gear and size restrictions
  - VMS monitoring , among others
- As you are aware Chair, PNG has been "yellow-carded" by the EU in 2014 on the premise of not complying with the EU IUU regulation 1005/2008. While PNG has been successful in addressing the EU's concerns on IUU, meeting the EU's market access requirements continues to be a big challenge for PNG.

- We had to work very hard to get our systems and procedures up to meet the EU's traceability requirements and we continue to do so to this day. The EU's catch documentation scheme itself is challenging because there is no standard design used throughout the world today. Any traceability scheme such as that catch documentation scheme should be harmonized, predictable and transparent. I want to also add that it requires a lot of capacity building, technical support and financial resources to support such schemes.
- Apart from addressing IUU as a market access condition, the cost of compliance with very stringent SPS and TBT market requirements remains a major challenge for fish exports.
- The EU has some of the highest international standards on food quality and safety. The PNG (National Fisheries Authority) as the Competent Authority for fish and fishery products, has been visited last month by the EU DG SANTE (Director General for Health and Food Safety) to evaluate the control systems in place governing the production of fishery products derived from tuna species intended for the export to the EU market. The audit focused on the organisation and performance of the Competent Authority, the export certification procedure, the official control system in place covering fishing, production, processing and distribution chains applicable to fishery products derived from the various tuna species to be exported to the EU. Chair, a report of this mission is forthcoming.
- We believe that developed country members should base their SPS and TBT measures on international standards for imports from developing countries. However, if they are required to use a standard higher than international standards then they should provide adequate technical assistance and capacity building so that the developing country is able to meet the SPS and TBT entry requirements.

Thank you Chair