Paths to Fisheries Subsidies Reform:
Creating sustainable fisheries through trade and economics

OCEANA
Paths to Fisheries Subsidies Reform: Creating sustainable fisheries through trade and economics

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Introduction

The world depends on the oceans for food and livelihood. More than a billion people worldwide depend on fish as a source of protein, including some of the poorest populations on earth. According to the United Nations Food and Agriculture Organization (FAO), the world must produce 70 percent more food to meet coming hunger needs.¹

Fishing activities support coastal communities and hundreds of millions of people who depend on fishing for all or part of their income. Of the world’s fishers, more than 95 percent engage in small-scale and artisanal activity and catch nearly the same amount of fish for human consumption as the highly capitalized industrial sector.² Small-scale and artisanal fishing produces a greater return than industrial operations by unit of input, investment in catch, and number of people employed.³

Today, overfishing and other destructive fishing practices have severely decreased the world’s fish populations. The FAO estimates that 90 percent of marine fisheries worldwide are now overexploited, fully exploited, significantly depleted, or recovering from overexploitation.⁴

Despite the depleted state of the oceans, many governments provide subsidies to their fishing sectors. Some subsidies support beneficial programs, such as management and research. However, other subsidies drive increased and intensified fishing, such as programs for fuel, boat construction and modernization, equipment, and other operating costs. These “overfishing” subsidies allow fleets to fish longer, harder, and farther away than otherwise would be economically possible. Subsidies also have links to other destructive fishing practices, such as Illegal, Unreported, and Unregulated (IUU) fishing.

Global fisheries subsidies are estimated at $USD 35 billion.⁵ Subsidy programs to increase fishing capacity dominate in both developed and developing countries. Capacity-enhancing programs are estimated at $USD 20 billion, an amount equivalent to 20 percent of the global catch value, which ranges from approximately $USD 100 billion to $USD 110 billion.

The scope, magnitude, and effects of these programs are so significant that addressing harmful fisheries subsidies is one of the greatest actions that can be taken to protect the world’s oceans.

³ World Bank, et al., 2010.
Purpose and Approach

Oceana conducted research on the role of subsidies in promoting overcapacity and overfishing, the scope and impacts of such subsidies, and opportunities for reform through multilateral, regional, and bilateral organizations. This project is intended to provide a tool for identifying and evaluating different options, approaches, and places to advance fisheries subsidies reform.

The project addresses three key research questions:

1. What is the scope, magnitude, and impacts of fisheries subsidies?

2. Where, when, and how have fisheries subsidies been addressed at the international, regional, and national levels?

3. What are possible venues and organizations for fisheries subsidies reform?

The project primarily consisted of desk research by Oceana staff and consultants, which was supplemented by consultations with experts and other specialists, and selected field visits. The project work was conducted between December 2014 and January 2015.
Structure of Report

This report contains three sections:

The first section provides the results of the organizational “mapping” of possible options and venues for fisheries subsidies reform.

Through a tiered review process, Oceana selected 21 entities for more detailed research. These venues have reasonable relevance to fisheries, subsidies, and/or development, and include multilateral, regional, and bilateral organizations. Reasonable attempts were made to include geographic diversity in the selection of venues.

Oceana compiled background information on each organization, its governance and decision-making processes, and experience with fisheries subsidies. Additional research was undertaken to identify potential actions and activities that could be pursued on fisheries subsidies reform in each venue. These findings are summarized in an “Organizational Profile” for each of the venues.

Oceana evaluated the potential of each organization to produce outcomes on fisheries subsidies reform. In this analysis, Oceana used a set of criteria to provide a basis and means to compare and weigh different venues. These criteria include:

- **Relevance** – The relevance of the organization and its work to 1) subsidies, 2) fisheries, and 3) poor and vulnerable populations.

- **Geographic Reach** – The geographic reach of the application of outcomes produced by the organization.

- **Rigor of Outcome** – The strength of a potential outcome in directly achieving subsidy reform.

- **History and Experience with Fisheries Subsidies** – The level of institutional knowledge and experience of the organization in fisheries subsidies issues.

- **Ease of Organizational Process** – The extent to which the organization’s internal process is straightforward and/or uncomplicated.

- **Ease of Politics and Decision-Making** – The absence of political level decision-making (by members/countries) in the organization and organizational processes.

- **Speed** – The general pace of the organization in producing products or outcomes.
• **Level of Fishing Activity** – The annual catch by weight of the countries that are members of the organization.

• **Level of Fisheries Subsidies** – The amount of the fisheries subsidies programs of the countries that are members of the organization.

• **Level of Small-Scale and Artisanal Fishing** – A characterization of the extent of small-scale and artisanal fishing in the countries that are members of the organization.

Each organization was assessed as “Low”, “Medium”, or “High” for each of the criteria. This analysis is presented in a summary chart and charts for each criterion.

The **second section** addresses the scope, magnitude, and impacts of fisheries subsidies. This section presents the scientific and technical basis of how subsidies impact fishery resources. It provides a summary of the countries that provide fisheries subsidies and the amounts and types of subsidy programs. Finally, this section provides a basic overview of the economic and social consequences of fisheries subsidies, particularly on poor and vulnerable countries and populations.

The **third section** traces the history and evolution of fisheries subsidies reform. This section provides an overview of what has already been done and/or is being done by international organizations and governments to address the problems of fisheries subsidies.
Organizational Assessment and “Mapping” of Options and Venues for Fisheries Subsidies Reform

- Evaluation Criteria
- Summary Chart of Organizations
- Charts of Organizations by Criterion
- Organizational Profiles
Evaluation Criteria

**Relevance in Mission** – The relevance of the organization and its work to 1) subsidies, 2) fisheries, and 3) poor and vulnerable populations.

**Geographic Reach** – The geographic reach of the application of outcomes produced by the organization.

**Rigor of Outcome** – The strength of a potential outcome in directly achieving subsidy reform. For example, a low to high range would include declarations and statements, data and research, and enforceable rules and disciplines, respectively.

**History and Experience with Fisheries Subsidies** – The level of institutional knowledge and experience of the organization in fisheries subsidies issues.

**Ease of Organizational Process** – The extent to which the organization’s internal process is straightforward and/or uncomplicated.

**Ease of Politics and Decision-Making** – The absence of political level decision-making (by members/countries) in the organization and organizational processes.

**Speed** – The general pace of the organization in producing products or outcomes.

**Level of Fishing Activity** – The annual catch by weight of the countries that are members of the organization. This assessment does not reflect fishing that occurs in a country's national waters by foreign fleets. This assessment is based on 2012 levels, the latest year for which data is available.

**Level of Fisheries Subsidies** – The amount of the fisheries subsidies programs of the countries that are members of the organization. The following types of programs were included in this analysis because of their ability to increase fishing capacity: fuel; boat construction, renewal, and modernization; fishery development project and support services; tax exemptions for sector investment; foreign access agreements; fisher assistance programs; vessel buyback programs; and rural fishers’ community development programs. This assessment is based on 2003 levels, the latest year for which comprehensive data is available, with some data adjusted to reflect more recent changes.

**Level of Small-Scale and Artisanal Fishing** – A characterization of the extent of small-scale and artisanal fishing in the countries that are members of the organization. Data on small-scale and artisanal fishing is too deficient to make an accurate assessment of the importance of this sector to the poor and vulnerable communities of the respective countries. As a result, regional data, information from the organization/venue on its member countries, and expert impressions were used to suggest a general level of dependence of poor and vulnerable populations on fishing activities.
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**Key**
- High
- Medium
- Low
Subsidies are not in the primary mission statement, but in order to carry out its mission, the Commonwealth addresses the use of subsidies. Subsidies are not in the primary mission statement, but are within the purview of the OECD’s activities.

Subsidies are not in the primary mission statement. However, in trade relations, MERCOSUR takes a hard stance on the provision of agricultural subsidies. In addition, it specifically notes in its principles that MERCOSUR shall apply restrictions to imports when prices are influenced by subsidies.

Subsidies are not in the primary mission statement. However, the parties have specifically addressed subsidies in other negotiations and fora.

Subsidies are not in the primary mission statement, but in order to carry out its mission, UNCTAD addresses the use of subsidies.

Subsidies are not in the primary mission statement, but in order to carry out its mission, the FAO addresses the use of subsidies.

Subsidies are not in the primary mission statement, but in order to carry out its mission, the African Union, Asia-Pacific Economic Cooperation (APEC), and others.

Subsidies are not in the primary mission statement, but in order to carry out its mission, the United Nations Conference on Trade and Development (UNCTAD), United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations Food and Agriculture Organization (FAO), World Bank, World Trade Organization (WTO), and others.

Global relevance of subsidies:
- Low
- Medium
- High

The chart illustrates the relevance of subsidies in various regional and international organizations.
The New Partnership for Africa's Development, a technical body of the African Union, is involved in fisheries issues. Development banks and aid agencies also work with the AU on fisheries.

While this organization is primarily focused on high-level economic cooperation, it has a working group on fisheries.

The fisheries sector is addressed in its mission as part of its focus on business.

Members have recognized the importance of fisheries and have agreed to cooperate on regional/trans-boundary fisheries issues.

There is currently no initiative within MERCOSUR to address fisheries issues. However, the working group on the environment has discussed and written protocols on issues with similar characteristics.

There is currently no initiative within TFTA to address fisheries issues. However, two of its component organizations (East African Community and Southern African Development Community) have become important partners in fisheries, and these bodies are involved in initiatives that have led to economic cooperation on fisheries issues.

Seafood is a key commodity amongst parties. The TPP has become an important vehicle for countries that have been proponents of fisheries subsidies reform at the WTO.

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The official forming documents indirectly acknowledge poor and vulnerable populations. Assisting poor and vulnerable populations falls within its primary mission statement.
An applicable outcome will extend to the subset of countries that receive World Bank support, not necessarily the Bank’s full membership.

- African Union (AU)
- Asia-Pacific Economic Cooperation (APEC)
- Association of Southeast Asian Nations (ASEAN)
- Caribbean Community and Common Market (CARICOM)
- The Commonwealth of Nations
- Economic Community of West African States (ECOWAS)
- Caribbean Community and Common Market (CARICOM)
- Group of Twenty (G-20)
- Inter-American Tropical Tuna Commission (IATTC)
- Organisation for Economic Co-operation and Development (OECD)
- Pacific Islands Forum Fisheries Agency (FFA)
- South Pacific Regional Fisheries Management Organisation (SPRFMO)
- Southern Common Market (MERCOSUR)
- Trans-Pacific Partnership (TPP)
- Transatlantic Trade and Investment Partnership (TTIP)
- Tripartite Free Trade Area (TFTA)
- United Nations Conference on Trade and Development (UNCTAD)
- United Nations Development Programme (UNDP)
- United Nations Environment Programme (UNEP)
- United Nations Food and Agriculture Organization (FAO)
- World Trade Organization (WTO)
- World Bank
1. The African Union’s (AU) ability to provide technical assistance and/or carry-out research projects is typically dependent on donor aid. Further, member states have no legal obligation to each other.

2. ASEAN speaks as a block in international fora, but does not interfere in domestic issues amongst members. However, they demonstrate some rigor in coordinating engagement on regional issues. Member states have no legal obligation to each other, and actions and outcomes occur on a voluntary basis.

3. Member states have no legal obligation to each other in coordinating the implementation of regional issues. However, they demonstrate some rigor in coordinating engagement on regional issues.

4. Member states have no legal obligation to each other, but the G-20 generates influential statements on finance-related issues.

5. Officially, the Pacific Islands Forum Fisheries Agency (FFA) only has declaratory power but members act collectively and strictly adhere to decisions adopted by the SPRFMO Commission.

6. Decisions adopted by the SPRFMO Commission shall become binding on the members of the Commission and Cooperating Non-Contracting Parties who are members of the SPRFMO Commission as well as on the members of the Commission and Cooperating Non-Contracting Parties who are members of the SPRFMO Commission as well as on Cooperating Non-Contracting Parties who are members of the SPRFMO Commission.

7. As a bloc, MERCOSUR can produce trade agreements with terms on the provision of subsidies to particular sectors. Internally they can also restrict imports from third-party trade partners by providing subsidies that impact prices.

8. It is unclear what the overall outcome will look like. However, as a trade agreement, it will likely include a trade dispute settlement mechanism and other trade remedies.

9. UNCTAD has limited staff and depends on UNDP and other agencies/organizations to take on its recommendations, which are non-binding. However, the Secretary-General demonstrated commitment on the fisheries subsidies issue and UNCTAD interacts at high levels with other organizations (e.g. WTO, other U.N. agencies) and trade agreements.

10. Actions and products from this venue are generally not regarded with the same level of rigor as those by other U.N. agencies such as the FAO or UNDP.
The record shows minimal AU involvement in fisheries subsidies. During the Doha trade round, the AU made a statement on fisheries subsidies, but otherwise it has no projects, nor has it made declarations, on the issue of harmful fisheries subsidies.

APEC included fisheries subsidies limits in its proposed Early Voluntary Sectoral Liberalization Initiative. In 2000, APEC commissioned a major survey of fisheries subsidies among its members. In 2009, the VEM (Voluntary Environment and Energy) project proposed a regional approach to limiting fisheries subsidies.

The G-20 addressed fossil fuel subsidies at its 2009 Pittsburgh Summit, which has some strong parallels with the fisheries subsidies issue. The FFA has expressed interest in addressing fisheries subsidies in the context of the UN’s Sustainable Development Goals. The G-20 summit has led to greater attention on the issue of harmful fisheries subsidies.

FFA staff and member-state delegations are experienced with fisheries subsidies. The FFA is pushing hard for subsidies to be addressed in a number of international forums, including the United Nations’ Sustainable Development Goals. The FFA and member states have been active in other forums.

UNDP recently has been more active than other U.N. agencies in fisheries subsidies issues. It has researched the issue extensively, convened several expert panels, and published Knowledge Products on how to reform fisheries subsidies, including the establishment of fisheries subsidies and the establishment of the FPA. The FPA is a significant and member-state driven initiative.

The World Bank has produced several Knowledge Products addressing fisheries subsidies. However, currently, it is severely limited by staff capacity.

The WTO has addressed fisheries subsidies in its Trade and Environment Committee. There was a dedicated negotiation on fisheries subsidies as part of the Doha Round, but the negotiations were abandoned. There was a second negotiation, which resulted in the WTO’s declaration on fisheries subsidies. However, subsidies remain a significant issue in the WTO.

The FAO has extensively researched and published on fisheries subsidies. It has undertaken several expert panels and published Knowledge Products addressing fisheries subsidies. The FAO has been active in fisheries subsidies issues.

The World Trade Organization (WTO) has addressed fisheries subsidies in its Trade and Environment Committee. There was a dedicated negotiation on fisheries subsidies as part of the Doha Round, but the negotiations were abandoned. There was a second negotiation, which resulted in the WTO’s declaration on fisheries subsidies. However, subsidies remain a significant issue in the WTO.

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The AU is a complex bureaucracy, compounded with a high number of subcommittees and working groups, which creates confusion in determining where to initiate action.

The CARICOM secretariat is fairly small and nimble.

Shared and/or similar political systems of member states help streamline decision-making within the Commonwealth.

The G-20 does not have a forming treaty. Annual summit agendas are arranged beforehand by sherpas and affiliated finance ministers. The Organisation for Economic Co-operation and Development (OECD) is crucial for providing analysis and reports on economic indicators.

The FFA secretariat has a record of being efficient and expedient.

MERCOSUR has a small number of members, but appears to have a large and complex bureaucracy.

The G-20 appears to be a large and complex organization, with a high number of subcommittees and working groups, which makes decision-making difficult.

UNEP has a simple process to propose actions and is relatively program-centric.
The Commonwealth of Nations makes decisions according to egalitarian principles, but the United Kingdom, Australia, and New Zealand's development aid have historically driven the priorities of the organization.

Within IATTC, differences persist on an international level in maritime boundary, trade, and environment issues, and at the national level in allocations of tuna resources between fleets.

SPRFMO has had trouble in arriving at consensus due to some members' intractable positions, which expressed in additional layers of harmonization and decision-making. The organization enacted voting procedures to overcome the differences.

MERCOSUR has had trouble in harmonizing economic policies across its members, economic policies' jurisdiction, and the organization's difficulty in working with several international, national, and smaller regional bodies.

The TFTA is composed of three regional economic communities, which suggests an additional layer of harmonization and decision-making. The organization is composed of three regional economic communities, which suggests an additional layer of harmonization and decision-making.

The decision-making process is fairly straightforward, with issues and courses of action being worked on at an organizational level and then voted upon by all member states.
1. The AU is potentially able to operate quickly on a matter, particularly when there is a security crisis. However, it is slow on less urgent matters and action may be dependent on the availability of donor funding.

2. Speed appears to be impacted by budget limitations and bureaucracy in the preparation stages for papers and declarations.

3. Similar to ASEAN, speed appears to be impacted by the preparation stages for papers and declarations.

4. Member countries have been known to move quickly depending on the issue, and similar political systems of members assist the pace of movement as well.

5. Similar to the African Union, ECOWAS is able to operate quickly on a matter, particularly when there is a security crisis. However, it is slow on less urgent matters and action may be dependent on the availability of donor funding.

6. Ratification of the Antigua convention has taken 10 years, but policy actions such as moratoriums on stocks have arrived within a 12-month period.

7. The record shows that negotiations on a trade agreement with the European Union have been ongoing since 1999, including a six-year freeze. Additional indices show that this venue does not tend to move quickly.

8. Knowledge products are typically completed within a 12- to 24-month period.

9. UNEP operates comfortably at a moderate speed (i.e., two-year period to set up a typical project), and there does not appear to be any impetus for it to move faster.

10. The FAO operates comfortably at a moderate speed, and there does not appear to be any impetus for it to move faster.
Small-scale fishing characterizes the industry in the CARICOM region. Most CARICOM members have a large number of artisanal and small-scale fishermen who depend on fishing as a primary (often sole) livelihood opportunity. Industry leaders dominate the area covered by the treaty.

- African Union (AU)
- Asia-Pacific Economic Cooperation (APEC)
- Association of Southeast Asian Nations (ASEAN)
- Caribbean Community and Common Market (CARICOM)¹
- Economic Community of West African States (ECOWAS)
- G-20
- Inter-American Tropical Tuna Commission (IATTC)
- Organisation for Economic Cooperation and Development (OECD)
- Pacific Islands Forum Fisheries Agency (FFA)²
- Transatlantic Trade and Investment Partnership (TTIP)
- Trans-Pacific Partnership (TPP)
- Tripartite Free Trade Area (TFTA)
- World Trade Organization (WTO)
Organizational Profiles

- African Union (AU)
- Asia-Pacific Economic Cooperation (APEC)
- Association of Southeast Asian Nations (ASEAN)
- Caribbean Community and Common Market (CARICOM)
- COMESA-EAC-SADC Tripartite/Tripartite Free Trade Area (TFTA)
- The Commonwealth of Nations
- Economic Community of West African States (ECOWAS)
- Group of Twenty (G-20)
- Inter-American Tropical Tuna Commission (IATTC)
- Organisation for Economic Co-operation and Development (OECD)
- Pacific Islands Forum Fisheries Agency (FFA)
- South Pacific Regional Fisheries Management Organisation (SPRFMO)
- Southern Common Market (MERCOSUR)
- Transatlantic Trade and Investment Partnership (TTIP)
- Trans-Pacific Partnership (TPP)
- United Nations (U.N.)
  - United Nations Conference on Trade and Development (UNCTAD)
  - United Nations Development Programme (UNDP)
  - United Nations Environment Programme (UNEP)
  - United Nations Food and Agriculture Organization (FAO)
- World Bank
- World Trade Organization (WTO)
African Union (AU)

Overview

The vision of the African Union (AU) is that of “an integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in the global arena.” The AU is an intergovernmental organization that seeks to be an efficient and value-adding institution driving the African integration and development process, in close collaboration with its member states, Regional Economic Communities (RECs), and African citizens.

The AU is the sole pan-African organization, including 54 of the continent’s 55 countries, making it the forum to discuss national, regional, and bilateral issues. It is also the main mechanism through which countries can share information and concerns, and make joint requests from the international community and multilateral donors.

Governance and Decision-Making

The Assembly is the AU’s supreme organ and comprises Heads of State and Government from all member states. It determines the AU’s policies, establishes its priorities, adopts its annual program, and monitors the implementation of its policies and decisions. The Assembly must meet at least once a year in ordinary session.

The Executive Council works in support of the AU Assembly and is responsible to the Assembly. All member states participate in the Executive Council, usually at the Foreign Minister level. The Executive Council meets at least twice a year in ordinary session, usually immediately prior to the Assembly Summit.

The Permanent Representatives Committee (PRC) conducts the day-to-day business of the AU on behalf of the Assembly and Executive Council. It reports to the Executive Council. All AU member states are members of the PRC. The PRC meets at the AU Headquarters at least once a month.

The PRC has numerous subcommittees on a wide range of areas and topics. Particularly relevant is the Sub-Committee on New Partnership for Africa’s Development (NEPAD). This subcommittee oversees and supports activities promoting NEPAD, which is the AU’s strategic framework for pan-African socio-economic development. The subcommittee is composed of 15 members based on agreed geographic distribution, and in accordance with established practice, the composition of the subcommittee is determined by internal consultations.
NEPAD was officially adopted in 2002 as the primary mechanism to coordinate the pace and impact of Africa’s development in the 21st century. Its primary objectives are the following:

- Eradicate poverty
- Place African countries, both individually and collectively, on a path of sustainable growth and development
- Halt the marginalization of Africa in the globalization process
- Accelerate the empowerment of women
- Fully integrate Africa into the global economy

NEPAD is primarily implemented at the REC level. It is widely used by international financial institutions, U.N. agencies, and Africa’s development partners as a mechanism to support African development efforts. NEPAD is governed by the Heads of State and Government Orientation Committee (HSGOC) and NEPAD Steering Committee. The AU Assembly oversees NEPAD and considers and adopts recommendations from the HSGOC chairperson.

Decision-making in the Assembly, Executive Council, and PRC is by consensus, or failing that, by a two-thirds majority of the member states. Procedural matters require a simple majority vote.

There are also Specialised Technical Committees across a range of thematic areas, which report to the Executive Council. The Peace and Security Council is the standing organ of the AU for the prevention, management, and resolution of conflicts. It is a key element of the main AU mechanisms for promoting peace, security, and stability in Africa. The African Union Commission is the AU’s secretariat.

The production of technical papers and/or larger investments is often driven by donor funding availability, as AU members are limited in their ability to provide funds beyond national budgets. For example, the Partnership for African Fisheries (described below) is primarily supported by the World Bank, U.N. Food and Agriculture Organization, Global Environment Facility, and other organizations.

**History and experience of the African Union on fisheries subsidies**

The fisheries sector is important to communities across the African continent. According to 2011 reports, the fisheries sector in Africa (including Morocco) employed 12.3 million people as full-time fishers or full-time and part-time processors, which represents slightly more than 2 percent of Africa’s population between 15 and 64 years old. It is also noteworthy that while Africa has the least subsidized fisheries relative to other regions, their subsidies are predominately capacity-enhancing and are the highest in subsidy intensity as measured by a percentage of landed value.
Overall, while the AU has not addressed fisheries subsidies directly, it is aware that this issue will eventually need to be considered as part of its broader fisheries agenda. Unsurprisingly, it is a risky subject for policymakers to address, as it could potentially impact many of their most impoverished constituents. However, it is encouraging that this subject is being discussed, and a well-funded project proposal to address harmful fisheries subsidies while minimizing negative social impacts would likely find strong support within the AU’s members.

In 2005, NEPAD held the Fish for All Summit in Abuja. This technical symposium aimed to chart out a shared strategy for strengthening fisheries development planning for Africa and increasing investment in the sector to help eradicate hunger and poverty. The Summit produced *The Abuja Declaration on Sustainable Fisheries and Aquaculture in Africa.*

The Partnership for African Fisheries (PAF) is the program that implements fisheries reform based on The *Abuja Declaration* and the NEPAD Action Plan. The PAF has working groups in five key policy areas: fisheries trade, good governance, illegal fishing, trade and access to markets, aquaculture, and finance and investment in fisheries & aquaculture. There have been discussions about fisheries subsidies in the PAF.

In addition, during the WTO fisheries subsidies negotiations, the AU stressed that flexibilities should be designed to address the specific concerns of African States, in particular the small and more vulnerable coastal states, and called for special and differential provisions without conditionality on fisheries management systems.

**What could the African Union produce/do on fisheries subsidies?**

There is the potential in the AU to promote an organization and membership that are better informed about fisheries subsidies and potential avenues for reform. The AU could also promote and support national level reforms to eliminate harmful fisheries subsidies and redirect resources to more beneficial uses.

The following are some specific initiatives the AU could undertake:

- The AU could produce political-level declarations and commitments directed at cooperatively addressing fisheries subsidies.

- The AU could provide guidelines and incentives to help countries implement plans to reform or reduce harmful subsidies in their domestic fisheries. It could also support fisheries subsidies reforms through its technical assistance to countries.

- The AU could conduct research or surveys on the fisheries subsidies programs of its members.
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Asia-Pacific Economic Cooperation (APEC)

Overview

Asia-Pacific Economic Cooperation (APEC) is a multilateral economic and trade forum. It aims to liberalize trade and investment, eliminate barriers to trade, and provide economic and technical training and education for building capacity in member countries.

APEC has 21 members: Australia, Brunei Darussalam, Canada, Chile, China, Hong Kong – China, Indonesia, Japan, Republic of Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, Philippines, Russia, Singapore, Chinese Taipei, Thailand, United States, and Vietnam.

APEC members account for more than 65 percent of the world’s capture fisheries. The consumption of fishery products in the APEC region is 65 percent higher than the world average. Moreover, APEC economies represent nine of the top ten fish producers in the world. The fisheries and aquaculture sector employs approximately 26.2 million fishermen and aquaculture workers, which comprises 60 percent of the world’s total fisheries workforce.

Governance and Decision-Making

APEC operates on the basis of non-binding commitments and open dialogue amongst parties. Decisions are made by consensus and through consultation. There are no treaty obligations required of its participants.

Each year, one of the APEC members hosts to APEC meetings and serves as the APEC Chair. The APEC host economy is responsible for chairing the annual Economic Leaders’ Meeting, selected Ministerial Meetings, Senior Officials Meetings, and other events. The host economy appointment is made on a fixed-term basis of three years.

APEC’s working level activities are guided by APEC Senior Officials from the member countries. These activities and projects are carried out by four high level committees: 1) Committee on Trade and Investment (CTI), 2) Senior Officials’ Meeting Committee on Economic and Technical Cooperation (SOM), 3) Economic Committee, and 4) Budget and Management Committee.

Subcommittees, experts’ groups, working groups, and task forces support the activities and projects led by the high level committees.
The Ocean and Fisheries Working Group (OFWG) specifically addresses marine issues. It actively pursues regional capacity building projects and other activities related to issues such as:

- Destructive fishing practices
- Illegal, unregulated and unreported fishing
- Impacts of marine pollution on coastal habitat
- Coral reef conservation
- Sustainable development of aquaculture

Overall, any major initiative or project to address fisheries issues would start at the OFWG level before making its way to the CTI or SOM, and then finally to the secretariat for presentation at the Ocean-Related Ministerial Meeting. Beforehand, the production of technical papers on the subject can be made at the discretion of the OFWG. An official request by an APEC member also has the potential to elevate and prioritize an issue.

**History and experience of APEC on fisheries subsidies**

APEC’s membership includes some of the world’s highest subsidizing fishing countries. In 2000, APEC published a major survey of the fisheries subsidies provided by its members. This study was conducted by Pricewaterhouse Coopers and produced an early estimate on the size of member countries’ subsidies for capture fisheries.

In terms of reforming fisheries subsidies amongst APEC members, there are several countries that have demonstrated continued support for subsidies disciplines in the WTO and other fora. However, there was also a comparable group of major Asian fishing countries who were opposed to broad fisheries subsidies disciplines at the WTO.

In August 2014, during the fourth APEC Ocean-Related Ministerial Meeting, the ministers outlined a new non-binding framework for closer collaboration on ocean-related challenges. The declaration calls for improved transparency and the reporting of existing fisheries support programs to the WTO, the eventual elimination of programs that contribute to overcapacity and overfishing, and an abstention from introducing new subsidy programs. This new framework was endorsed by APEC leaders in Beijing in November 2014.
What could APEC produce/do on fisheries subsidies?

Considering the difference among members related to how fisheries subsidies should be addressed, a unilateral declaration and/or trade agreement is unlikely. A more realistic outcome would be for OFWG to keep highlighting the impacts of negative fisheries subsidies, which will encourage all APEC members to consider fisheries subsidies reforms.

The OFWG can produce technical papers and declarations to inform APEC members and drive overall strategy. More importantly, the OFWG appears to have the capacity to support a reform process, both at the national and regional level.

The following are some other activities APEC could undertake:

• APEC could produce non-binding declarations, commitments, or joint statements that make recommendations on state policies and activities involving their respective fisheries and fisheries subsidies.

• APEC could conduct data gathering surveys and research on its member countries concerning economic subjects, including fisheries subsidies.

• APEC, through the OFWG, could produce guidelines to incentivize and help countries implement their own plans to reform or reduce harmful subsidies to their domestic fisheries.

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Overview

The Association of Southeast Asian Nations (ASEAN) is a regional organization that seeks to promote peace and security, as well as socio-cultural and economic cooperation. It is also an important forum for the negotiation of trade agreements between members and as a bloc.

ASEAN’s mission is to accelerate economic growth, social progress, and cultural development in the region, through joint endeavors and in the spirit of equality and partnership, in order to strengthen the foundations for a prosperous and peaceful community of Southeast Asian nations. It promotes regional peace and stability, through maintaining respect for justice and the rule of law within the relationship among countries in the region and through adherence to the principles of the United Nations Charter.

In pursuit of these objectives, the organization has three “pillars” of governance: ASEAN Security, ASEAN Economic Community, and ASEAN Socio-Cultural Community.

ASEAN has ten member states: Brunei Darussalam, Cambodia, Indonesia, Lao People’s Democratic Republic, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam.

Fisheries is a significant sector in the region. Five ASEAN members rank among the top ten countries where the most people are employed, directly or indirectly, in the fishing sector.5

ASEAN cooperates and has run projects with Regional Fisheries Management Organizations, e.g. Indian Ocean Tuna Commission (IOTC) and Western and Central Pacific Fisheries Commission (WCPFC), and with the Southeast Asian Fisheries Development Center (SEAFDEC). SEAFDEC’s membership mirrors ASEAN’s, with the inclusion of Japan.

ASEAN is also a partner in the Regional Comprehensive Economic Partnership (RCEP). The RCEP is an initiative to create a regional free trade area by linking the ten ASEAN member states and the group’s Free Trade Agreement partners, Australia, China, India, Japan, South Korea, and New Zealand. RCEP negotiations are ongoing, and Partnership aims to be a “modern, comprehensive, high-quality and mutually beneficial economic partnership agreement establishing an open trade and investment environment in the region to facilitate the expansion of regional trade and investment and contribute to global economic growth and development.”
Governance and Decision-Making

The ASEAN Summit is the top decision-making body of ASEAN and consists of the heads of state of the member countries.

Decision-making in ASEAN is accomplished by consensus and is arrived at through informal consultation. The “ASEAN way” relies on personal connections among political leaders during internal consultations. The organization is state-centered in its focus, with little connection to the civil societies of its member states.

A key part of the ASEAN way is an emphasis on informality and loose arrangements. The organization seeks to foster personal relations rather than commit to ambitious institution building. In ASEAN, there is a strong principle of non-interference and respect for each member’s sovereignty.

In ASEAN, environmental issues fall within the realm of the ASEAN Senior Officials of the Environment (ASOEN), which falls under the ASEAN Ministerial Meeting on Environment (AMME), and ultimately under the ASEAN Socio-Cultural pillar. ASOEN has three working groups to carry out its functions: Nature Conservation and Biodiversity, Coastal and Marine Environment, and Multilateral Environmental Agreement. The working groups are made up of concerned agencies from the member states. They meet annually to discuss and plan programs.

History and experience of ASEAN on fisheries subsidies

A number of the largest subsidizing developing fishing countries are members of ASEAN. During the WTO fisheries subsidies negotiations, ASEAN countries took a position for the establishment of disciplines that would control harmful fisheries subsidies, but insisted that there should also be special and differential treatment provisions for developing countries. However, some ASEAN countries individually were active proponents for ambitious reforms in the WTO negotiations.

Overall, ASEAN appears to have limited interest and/or scope to address fisheries subsidies reform.
What could ASEAN produce/do on fisheries subsidies?

It seems unlikely that ASEAN will become a leader in reforming fisheries subsidies on its own, and civil society's ability to change this is limited by the informal structure of this group, its stated desire not to interfere in national affairs, and the internal nature of its decision-making process. Efforts could be focused on ensuring that SEAFDEC keeps producing materials on the negative impacts of harmful fisheries subsidies, which will help raise awareness and potentially spur action by ASEAN members. Similar efforts at APEC, IOTC, and WCPFC could also help with this process.

As a trade initiative, the RCEP could be an opportunity to address fisheries subsidies though trade rules and disciplines, commitments, and/or other measures.

The following are some other activities ASEAN could undertake:

• ASEAN could provide technical assistance, policy guidance, and research about fisheries and subsidies in cooperation with SEAFDEC.

• ASEAN could make declarations or political-level commitments on addressing harmful fisheries subsidies. More rigorous arrangements and commitments could potentially be established as part of the informal consultations that occur within the organization.

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Overview

The mission of the Caribbean Community and Common Market (CARICOM) is to promote economic integration and cooperation among its members, ensure that benefits of integration are equitably shared, and coordinate foreign policy. The organization also has an interest in fisheries management and conservation in the Caribbean.

The organization includes 15 full members, 5 associate members, and 8 observers. Associates can engage in discussions but cannot vote. Observers engage in at least one of CARICOM’s technical committees.

**Full members:** Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago

**Associates:** Anguilla, Bermuda, British Virgin Islands, Cayman Islands, Turks and Caicos Islands

**Observers:** Aruba, Colombia, Curaçao, Dominican Republic, Mexico, Puerto Rico, St. Maarten, Venezuela

CARICOM countries are highly dependent upon their marine resources for economic and social development. Fisheries are an importance source of livelihood and nutrition for the people of the region. Fisheries are also an important factor in food security, poverty alleviation, employment, foreign exchange earnings, development and stability of rural and coastal communities, recreation and tourism, and culture.

In February 2002, CARICOM members agreed to establish the CARICOM Regional Fisheries Mechanism (CRFM). The CRFM is headquartered in Belize and is an independent regional fisheries body that promotes the sustainable use of marine resources for the economic and social benefits of the people of the region.

The CRFM agreement is a commitment to sustainable development of the fishery resources of the Caribbean through close cooperation among the member states. Cooperation is in accordance with the principles laid down by the 1982 United Nations Convention on the Law of the Sea (UNCLOS) and associated agreements including the FAO Code of Conduct for Responsible Fisheries and its various International Plans of Action.
Governance and Decision-Making

The CARICOM Secretariat oversees policymaking and decisions. It relies on consensus among heads of government. Since 2001, CARICOM policymaking has been heavily focused on human development objectives.

The CRFM consists of three bodies – the Ministerial Council, Caribbean Fisheries Forum, and CRFM Secretariat. The Ministerial Council is the highest decision-making body, and is comprised of the ministers responsible for fisheries in each member state. The Fisheries Forum is the main technical and scientific body of the CRFM.

The CRFM contributes significantly to all aspects of fisheries management planning and decision-making in its member states. This includes data collection, analysis and management, research, dissemination of scientific and technical information, preparation of national fisheries management plans, and strengthening national capacity for management.

Although the CRFM cannot make decisions that are directly binding on members, the Ministerial Council can make recommendations that member states would be obliged to implement.

History and experience of CARICOM on fisheries subsidies

Member states have recognized the need for regional cooperation to ensure sustainable management of their fisheries. In that context, and arising from UNCLOS, members have undertaken a number of projects in this direction.

In 1991, CARICOM countries launched the ten-year CARICOM Fisheries Resource Assessment and Management Program (CFRAMP). Its goal was to promote sustainable use of the fisheries resources of CARICOM member states. CFRAMP was the first major fisheries project of its type. When the project ended in 2002, the CARICOM heads of government signed the Intergovernmental Agreement establishing the CRFM.

In the past, CARICOM has shown preference to consider fisheries subsidies within a holistic framework, taking into consideration trends in ecological resource systems, socio-economic aspects of fisheries, economic performance, profitability, trade liberalization policies, and technological innovations.
What could CARICOM produce/do on fisheries subsidies?

CARICOM has not directly addressed fisheries subsidies and seems to have low inclination to make this a focus going forward.

However, member states have used CRFM as an advisory body providing scientific information, recommendations, and other forms of support to member states. The support allows members to make informed decisions and strengthen their capacity to govern and manage fisheries themselves. Such an advisory body could make recommendations on members’ subsidy programs.

The CRFM could produce a guidance paper on reforming harmful fisheries subsidies across the region. This could potentially be motivated by the desire of some CARICOM members to advance a “blue economy” agenda and be seen as regional leaders on ocean issues. Such a paper and the endorsement of individual countries could raise attention and potentially motivate other CARICOM members to take action.

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Overview

The Tripartite is an umbrella regional organization that consists of three of Africa's regional economic communities (RECs). A REC is a partnership of neighboring countries pursuing a joint economic and political initiative. The Tripartite is comprised of the East African Community (EAC), the Common Market for Eastern and Southern Africa (COMESA), and the Southern African Development Community (SADC).

The Tripartite includes 26 countries with a total population of 625 million people:

**EAC:** Republic of Burundi, Republic of Kenya, Republic of Rwanda, United Republic of Tanzania, and Republic of Uganda


**SADC:** Republic of Angola, Botswana, Democratic Republic of Congo, Kingdom of Lesotho, Republic of Madagascar, Republic of Malawi, Republic of Mauritius, Republic of Mozambique, Republic of Namibia, Republic of Seychelles, Republic of South Africa, Kingdom of Swaziland, United Republic of Tanzania, Republic of Zimbabwe

The purpose of the Tripartite is to contribute to the objectives of the African Union – "[a]n integrated, prosperous, and peaceful Africa, driven by its own citizens and representing a dynamic force in the global arena."

The Tripartite Vision is to improve the economic and social welfare of the citizens of the COMESA-EAC-SADC Tripartite region by promoting regional economic growth and creating a favorable environment for regional trade.

The regional integration program of the three RECs focuses on expanding and integrating trade and includes instituting infrastructure development projects in transport, information and communication technology, as well as the establishment of a custom union, monetary union, and common market.

In October 2008, Tripartite leaders agreed to initiate a Tripartite Free Trade Agreement (TFTA). The TFTA will include four overarching principles: Duty-Free and Quota-Free Market Access, Incremental Liberalization, Most Favoured Nation Treatment, and National Treatment.
The TFTA (also known as the “Grand FTA”) was launched in 2011. The TFTA will build upon the existing trade agreements already in place in COMESA, EAC, and SADC. The TFTA is intended to set the foundation for a larger African Continental Free Trade Agreement.

The negotiations are in two phases. The first phase addresses tariff liberalization, rules of origin, customs cooperation and customs-related matters, non-tariff barriers, sanitary and phytosanitary measures, technical barriers to trade, and dispute settlement. The second phase focuses on trade in services and other trade-related areas.

**Governance and Decision-Making**

The Tripartite Summit of Heads of State and/or Government is the main decision-making body. It meets at least once every two years.

The Tripartite Task Force is a coordinating body directed to develop a roadmap for integration of the RECs and is required to meet at least once every two years.

The Tripartite has no formal institutional status. COMESA, EAC, and SADC collectively make decisions on the implementation of projects, programs, and regulations. Although implementation decisions are done collectively by COMESA, EAC, and SADC, one REC will usually provide the lead in implementation.

**History and experience of the Tripartite on fisheries subsidies**

There has been no commitment or history by the Tripartite on fisheries subsidies. However, in two of the component RECs (EAC and SADC), fisheries have been identified as areas of interest in addressing food security.

The EAC has identified initiatives to address fisheries governance; fisheries management; monitoring, control and surveillance; fisheries development; fisheries trade and marketing; and fisheries diseases.

The SADC emphasizes the important role of fisheries to the social and economic well-being of the people of the region in its Protocol on Fisheries. The Protocol guides the SADC in its programs that address aquaculture, fisheries management, and Illegal, Unreported, and Unregulated (IUU) fishing.
What could the Tripartite produce/do on fisheries subsidies?

The Tripartite could be a vehicle for stimulating attention to fisheries subsidies, particularly by the component RECs. In turn, it could serve as a forum for greater coordination of policies among the RECs.

As the TFTA is new, it is difficult to determine what the Tripartite is capable of in terms of reforming fisheries subsidies. However, there may be potential to pursue actions on fisheries subsidies or coordination on related fisheries issues. There is the opportunity to pursue fisheries subsidies in the TFTA with a view towards a larger, comprehensive Continental Agreement in the future. As in other trade agreements, the TFTA could potentially control fisheries subsidies though trade rules and disciplines, commitments, and/or other measures.

The TFTA (not the COMESA-EAC-SADC Tripartite) is the entity assessed and evaluated in this project and represented in the summary charts.

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The Commonwealth of Nations

Overview

The Commonwealth of Nations, normally referred to as “the Commonwealth”, is an intergovernmental organization where member states cooperate within a framework of common values and goals, including peace, democracy, liberty, equality, and ending racism and poverty.

The Commonwealth has 53 member states that span across Africa, Asia, the Americas, Europe, and the Pacific. Most of the members are former territories of the British Empire. Member states have no legal obligation to one another. Instead, they are united by language, history, culture, and the shared values of democracy, human rights, and rule of law.

The Commonwealth includes the following members:

**Africa:** Botswana, Cameroon, Ghana, Kenya, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Nigeria, Rwanda, Seychelles, Sierra Leone, South Africa, Swaziland, Uganda, United Republic of Tanzania, Zambia

**Asia:** Bangladesh, Brunei Darussalam, India, Malaysia, Maldives, Pakistan, Singapore, Sri Lanka

**Caribbean and Americas:** Antigua and Barbuda, Bahamas, Barbados, Belize, Canada, Dominica, Grenada, Guyana, Jamaica, Saint Lucia, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Trinidad and Tobago

**Europe:** Cyprus, Malta, United Kingdom

**Pacific:** Australia, Fiji, Kiribati, Nauru, New Zealand, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu
**Governance and Decision-Making**

The Commonwealth activities are headed by the Secretariat-General and are carried out through the permanent Commonwealth Secretariat. The Secretariat works with member states by providing guidance on policymaking, technical assistance, and advisory services. Assistance is customized to each member’s needs while also promoting international best practices.

Work priorities are agreed upon at the Commonwealth Heads of Government Meetings, which occur every two years.

The Commonwealth has established a framework of two broad pillars – Democracy and Development – under which eight programs are structured. Two of the eight programs, Economic Development and Environmentally Sustainable Development, could be potential vehicles for fisheries subsidies reform.

The Commonwealth Fisheries Programme combines the expertise and networks of the Commonwealth Foundation, the Commonwealth Policy Studies Unit, and the Commonwealth Human Ecology Council. This international program aims to ensure sustainability and improve the livelihoods of coastal communities in member states.

Overall, decision-making tends to be motivated by (i) internal trade needs, and (ii) availability of donor aid by wealthier members (i.e. Australia, Canada, and United Kingdom) to support in-country projects promoting democracy and sustainable development.

**History and experience of the Commonwealth on fisheries subsidies**

The Commonwealth member states have done crucial work on fisheries over the years, including in the negotiations of the UN Convention on the Law of the Sea and in the High Seas Task Force.

From 2008 to 2010, the Commonwealth Fisheries Programme investigated fisheries management and the sustainability of livelihoods in fisher communities in member states in Africa, the Caribbean, and the Pacific.

In 2009, the Commonwealth Heads of Government Meeting endorsed the need for urgent action to strengthen fisheries and marine management in member states. This statement was followed with the Perth Declaration on Food Security Principles, emphasizing the key role fisheries play in providing nutrition and livelihoods in the Commonwealth Small Island Developing States and other small states.
What could the Commonwealth produce/do on fisheries subsidies?

While the Commonwealth countries face different situations related to the nature of their fisheries, trade interests, and positions toward subsidies, there are overarching issues that could be potentially leveraged to generate activity on fisheries subsidies reform.

Achieving the Millennium Development Goals is a key priority for all 53 countries, particularly to address poverty. This could provide a platform for discussion about fisheries management and subsidies, which if improved, could generate considerable economic benefits for both industrial and artisanal fishers.

The development agencies of the member countries could promote fisheries subsidies reform as part of broader reforms needed to ensure the sustainability of fish stocks within each member nation. Some agencies are already providing fisheries development assistance, but do not include discussion about the problems associated with subsidies.

Several Commonwealth members also have considerable expertise in reforming fisheries subsidies and could assist other members in enacting such reforms. This could be initiated through discussions and technical assistance, with a focus on countries that show interest in strengthening their fisheries sector.

The following are some other activities the Commonwealth could undertake:

• The Commonwealth could make a political-level declaration or commitment to address fisheries subsidies.

• The Commonwealth Fisheries Programme could include fisheries subsidies in its research aimed at identifying long-term solutions for fisheries management and improving the livelihoods of coastal communities.

• The Commonwealth could conduct surveys on member fisheries subsidy programs. It could also act as a channel in which to guide the reform or reduction of fisheries subsidies for specific member countries.

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Economic Community of West African States (ECOWAS)

Overview

The Economic Community of West African States (ECOWAS) is a regional group of 15 West African countries. Founded in 1975, its mission is to promote economic integration across the region.

Considered one of the pillars of the African Economic Community, ECOWAS was created to achieve "collective self-sufficiency" for its member states by creating a single large trading bloc through an economic union. It also serves as a peacekeeping force in the region.

The ECOWAS countries include: Benin, Burkina Faso, Cape Verde, Cote d’Ivoire, Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, and the Togolese Republic.

Fisheries are a targeted concern in the ECOWAS establishing treaty and there is a mandated technical committee on fisheries. ECOWAS’s mission also calls on its members to cooperate in the development of fisheries, agriculture, forestry, and animal husbandry.

Governance and Decision-Making

ECOWAS is subject to numerous social, economic, cultural, and security challenges amongst its membership. These challenges create conditions for political instability, which manifest into uncertainties in the ECOWAS process.

The Authority of Heads of State and Government of Member States is the superior body of ECOWAS. It meets at least once a year and is composed of State and/or Government leaders of the member states. The Authority is responsible for the general policies, direction, and control of the Community and takes measures to ensure the realization of objectives. Decisions of the Authority are made in a manner depending on the subject under consideration. They can decide by unanimity, consensus or a two-thirds majority of the member states.

The Council of Ministers is comprised of the ministers of each Member State. The Council meets twice a year and is responsible for the functioning and development of ECOWAS. To these ends, the Council makes recommendations to the Authority on any action.

The Authority and Council are where initiatives begin. Eventually, initiatives may reach the technical commissions, which include a Commission on Food and Agriculture. This commission is tasked with promoting cooperation for the development of fisheries amongst member states to ensure food security, increase production in fisheries, improve employment and work conditions, and protect prices of export commodities.
There are two ECOWAS institutions to implement policies — the ECOWAS Commission and the ECOWAS Bank for Investment and Development, formerly known as the Fund for Cooperation.

ECOWAS is also heavily influenced by the European Union (EU) in the fisheries sector. The EU has many agreements with ECOWAS countries giving access for European fleets to fish in their waters. In many cases, the support from these arrangements determines the extent that the country can manage their fish stocks, because national budgets alone are frequently insufficient for the necessary work to ensure the sustainable use of the resource.

**History and experience of ECOWAS on fisheries subsidies**

ECOWAS has not addressed the issue of fisheries subsidies. However, some West African countries have used programs such as export subsidies, fuel subsidies, and fishing agreements, amongst others, to promote export-oriented fishing.  

Exports of fish products from Africa to the European Union are the leading agriculture export product, worth $USD 1.75 billion. The fisheries sector employs around 7 million people in West and Central Africa. However, excessive exploitation of fishery resources has impacted stock levels and poses a significant danger to the sustainable development of fisheries.
What could ECOWAS produce/do on fisheries subsidies?

Following upon the success of the West Africa Regional Fisheries Project of the World Bank, U.N. Food and Agriculture Organization, and Global Environment Facility, it is likely that some ECOWAS members would consider subsidies reform as part of a broader portfolio of fisheries reforms, particularly if the reforms can be associated with greater revenue generation. ECOWAS leaders are particularly concerned with social unrest, so such an initiative would need to include ways to assist coastal communities that are negatively impacted by the removal of fisheries subsidies.

The following are some other activities ECOWAS could undertake:

• ECOWAS could produce declarations or political-level commitments on addressing harmful fisheries subsidies.

• ECOWAS could include fisheries subsidies reduction as part of its technical assistance programs on fisheries management, cooperative fisheries policy, and capacity building. It could adjust its focus on capacity building towards programs that would not cause overfishing.

• ECOWAS also collects information about the fisheries sectors of its members and may be able to conduct a corresponding survey on subsidies.

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Overview

The Group of Twenty (also known as the G-20) is an international forum for the governments and central bank governors from 20 major economies. The G-20 meets to discuss important international finance matters such as ways to strengthen the global economy, reform international financial institutions, and improve financial regulation.

The G-20 membership comprises a mix of the world’s largest advanced and emerging economies, representing about two-thirds of the world’s population, 85 percent of global gross domestic product, and more than 75 percent of global trade.

G-20 members include Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Republic of Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, United Kingdom, United States, and the European Union.

Each year the G-20 president also invites several guest countries to participate in G-20 events and contribute to the agenda.

Governance and Decision-Making

The G-20 delegations are made up of country leaders (heads of states), finance ministers, and the central bank governors from its member countries.

The G-20 President is responsible for bringing together the G-20 agenda in consultation with other members and in response to developments in the global economy. The G-20 presidency rotates annually according to a system that ensures regional balance over time. To ensure continuity, the presidency is supported by the “troika,” made up of the previous, current, and upcoming host countries.

G-20 leaders meet annually at a summit. In support and anticipation of the summit is a year-long program of meetings, including among sherpas. A sherpa is the senior official responsible for preparing the summit as the representative of their respective country leader. Following a summit, the G-20 issues a non-binding but influential statement.

As part of the G-20 process, finance ministers and central bank governors also meet regularly during the year to discuss ways to strengthen the global economy, reform international financial institutions, improve financial regulation, and implement the key economic reforms that are needed in each member economy.

Overall, the G-20 organizational process is fairly straightforward. Issues can be brought up through the nation holding the presidency and/or other member countries.
History and experience of the G-20 on fisheries subsidies

To our knowledge the G-20 has not addressed fisheries subsidies. However, it has taken actions that are relevant to fisheries subsidies, particularly related to fuel subsidies. In 2009, the G-20 agreed to phase out inefficient fossil fuel subsidies that encourage wasteful consumption. Similar arguments and reasoning apply to fuel subsidies in fishing, which is one of the most pervasive and egregious types of subsidy because of their economic and environmental impacts.

The G-20 also includes some of the largest fishing nations in the world and largest subsidizers.

What could the G-20 produce/do on fisheries subsidies?

The G-20 could bring a significantly higher level of attention to the issue of fisheries subsidies through commitments of its leaders. The G-20 could make voluntary commitments on fisheries subsidies with a requirement to report back on progress every other year. For example, G-20 leaders could pledge to not further expand their domestic fishing subsidy programs, particularly on fuel subsidies in recognition of their 2009 agreement. They could also make commitments towards taking certain actions or positions on fisheries subsidies in other international fora, such as the WTO.

Contact Information

Contact is through the relevant country governments.
Overview

The Inter-American Tropical Tuna Commission (IATTC) is an international commission responsible for the conservation and management of tuna and other species caught by tuna-fishing vessels in the eastern Pacific Ocean (generally east of the 150° W meridian). It is the oldest of the regional tuna management bodies, created in 1949 by a Convention between Costa Rica and the United States. In 1966, the IATTC initiated the first tuna fishery management program, which limited the annual catch of yellowfin. The Commission’s records on catch collections date back to 1934.

Current members of the IATTC include Belize, Canada, China, Colombia, Costa Rica, Ecuador, El Salvador, European Union, France, Guatemala, Japan, Kiribati, South Korea, Mexico, Nicaragua, Panama, Peru, Chinese Taipei, United States, Vanuatu, and Venezuela.

Bolivia, Honduras, Indonesia, and Liberia are Cooperating Non-Members.

Governance and Decision-Making

Decisions are made by consensus and are binding. In broad terms, the IATTC collects catch data on fish sizes, quantities and locations of catch, the amount of fishing effort generated to make the catches, as well as biological information on age, growth, and reproduction for analysis purposes. These are used by the IATTC’s scientific staff to formulate mathematical models to estimate the impact of fishing on the stock. If the studies indicate that fishing needs to be reduced in order to sustain maximum yields, the IATTC Director formulates conservation recommendations to present to the member nations.

The members can accept the recommendations, accept them with modifications, or reject them. If the recommendation is to be accepted, it must be by unanimous consent of all members. Cooperating non-members may not vote, but can choose to be bound by the decisions of the IATTC. Decisions are binding on the members as well as any cooperating non-member that agrees to be bound by it.

Each member government bears the responsibility to implement national legislation to ensure that vessels flying their flag comply with the program. Enforcement is the responsibility of the flag state, but the IATTC monitors compliance.
History and experience of the IATTC on fisheries subsidies

The FAO's International Plans of Action (IPOAs) on Capacity and IUU both call, inter alia, for the elimination of all factors causing overcapacity and IUU fishing, including subsidies. Based on these IPOAs, the IATTC developed the Eastern Pacific Ocean (EPO) plan. The EPO is a policy document that established the general framework for managing the capacity of the tuna fleets in the eastern Pacific, including provisions on subsidies.

In 2003, the members of the IATTC began entering into the Antigua Convention (AC), which strengthens the Commission’s powers. IATTC members then adopted a revised version of the EPO plan. However, the subsidies language from the previous EPO plan was not included in the revised plan and was replaced by more general references to the IPOAs.

What could the IATTC produce/do on fisheries subsidies?

Under the Antigua Convention, specific recommendations on subsidies could be produced through two committees: (i) the committee for the review of implementation of measures adopted by the commission, and (ii) the scientific advisory committee. Review of the record shows that these committees (in their format prior to the AC) tried to get members to adopt specific language (in the revised EPO plan) regarding the elimination of harmful fisheries subsidies leading to overcapacity and depletion of stocks.

More generally, the IATTC is another useful forum through which the subsidies discussion could be advanced, with the aim of priming nations to take meaningful action on the matter within a 5-year to 10-year timeframe.

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Overview

The Organisation for Economic Co-operation and Development (OECD) is an international economic organization. It aims to stimulate economic progress and world trade, and to promote policies that will improve the economic and social well-being of people around the world.

OECD has 34 member countries, including Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, South Korea, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom, and the United States.

The OECD also works closely with Russia, Brazil, China, India, Indonesia, and South Africa.

Governance and Decision-Making

Decision-making is done by the OECD Council. The Council is comprised of one representative per member country and a representative of the European Commission. The Council meets regularly and decisions are taken by consensus.

The Council has the power to adopt decisions and recommendations. End products that the Council adopts are based on analysis and studies by the Secretariat and include the following:

- **International Decisions** – legally binding on the parties
- **Decisions** – legally binding on all those Member countries which do not abstain at the time they are adopted
- **Recommendations** – not legally binding, but there is an expectation that member countries will do their utmost to fully implement a recommendation
- **Arrangements and Understandings** – not legally binding, but their implementation is monitored
- ** Declarations** – not formal acts of the organization and not intended to be legally binding, but their application is generally monitored by the responsible OECD body

The work mandated by the Council is carried out by the OECD Secretariat. Representatives of member countries also meet in committees to propose ideas and review progress in specific areas.
Committees carry out extensive studies which are expected to lead to the implementation of solutions to common problems in member countries. Publications are the primary way OECD disseminates its intellectual output. Publications include books, reports, statistics, working papers, and reference materials.

Discussions from OECD committees can also evolve into formal agreements, standards and models, recommendations, or guidelines.

The most relevant committee is the Committee for Fisheries, which carries out analytical work on a wide range of issues related to management, resource conservation, trade and sustainable development. The Committee for Fisheries is a policy forum for exchange of views and experiences on economic and fisheries policy issues. It meets twice annually (in the spring and fall) and occasionally holds ad hoc technical meetings.

Also potentially relevant to the issue of fisheries subsidies is the Trade Committee and the Environment Policy Committee.

Any significant action on fisheries subsidies would probably need to be initiated in a Committee(s) before being brought up to the Council for adoption of a product. This would likely take several years to put in place, and require attention (and endorsements) at the member country level prior to the issue being brought to the Council level.

**History and experience of the OECD on fisheries subsidies**

The OECD has extensive institutional knowledge on fisheries subsidies.

The OECD has conducted numerous studies and analyses on fisheries subsidies. The Committee for Fisheries produced inventories of financial support and economic assistance to the fishing sector in OECD countries. The OECD also undertook a systematic effort to define and measure government financial transfers to the fisheries sector in member countries. The recommendations issued by the OECD from its fisheries subsidies work primarily targeted the design and implementation of plans for rebuilding fisheries and for decommissioning schemes in the fishing sector.

While the fishing sector is relatively small in many OECD economies, often accounting for less than one percent of GDP and a small fraction of the workforce, it accounts for a high proportion of employment and income in coastal regions. Many OECD governments have reconsidered the extent and type of subsidies they provide in consideration of reforms to shift towards more sustainable and responsible fisheries.
What could the OECD produce/do on fisheries subsidies?

A high-level position paper by the Committee for Fisheries (possibly an updated version of previous recommendations on pathways to reform), with broad support from civil society, would be a strong tactic towards obtaining an outcome from the OECD Council, such as an international agreement, decision, or recommendation.

The following are some other activities the OECD could undertake:

- The OECD could institute a new or updated study on fisheries subsidies. It could also conduct a survey of fisheries subsidies amongst its membership.

- The OECD could create a standard or best practices guide on the application of fisheries subsidies reform.

- The OECD could provide guidelines and incentives to help countries implement their own plans to discipline harmful subsidies in their domestic fisheries.

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Overview

The Pacific Islands Forum Fisheries Agency (FFA) was established to help countries sustainably manage their fishery resources, especially tuna fisheries, within their Exclusive Economic Zones (EEZs). The FFA aims to drive regional cooperation to allow for the maximum long-term social and economic benefit from the sustainable use of members’ shared fishery resources.

Since 1979, the FFA has facilitated regional cooperation so that all Pacific countries benefit from the sustainable use of tuna. Tuna resources are important to livelihood in the Pacific and are estimated to be worth more than $USD 3 billion a year.

The FFA is based in the Solomon Islands and has 17 members, including Australia, Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, New Zealand, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, and Vanuatu.

FFA members, despite their varying levels of development and cultural and social differences, exercise their common concern for the state of tuna stocks in the region. Fishing access agreements are also a primary source of government revenue for some members. FFA members shape the policy direction of fisheries management, control and development across the region, and receive expertise and support to manage tuna within their own waters.

Governance and Decision-Making

The Forum Fisheries Committee meets to consider regional policies and the budget and work program. The Committee is comprised of one representative of each of the 17 members. The representative may be assisted by deputies. The committee meets once a year at its annual session (normally held in the first week of May) and in special meetings.

The FFA staff provides support to the contact points (typically officials in the departments of Foreign Affairs and Fisheries) for each member.

Overall, the FFA organizational process is fairly straightforward and the primary constraint on decisions is the political complexity of the association, with some nations being more precautionary about how much tuna should be extracted from the region.
History and experience of the FFA on fisheries subsidies

The fisheries sector is of significant trade and economic importance to Pacific small island states and a key factor in the maintenance of basic livelihoods, especially in the case of small-scale and artisanal fishing.

Fisheries in the Pacific are responsible for more than 55 percent of global tuna catches. The majority of this fish is caught by distant water fleets, whose fishing access agreements are a major revenue source for Pacific Island nations.

In the WTO fisheries subsidies negotiations, FFA countries were supportive of strong prohibitions, recognizing that they have much to lose by the destructive practices of subsidized distant water fishing fleets. In particular, potential disciplines on subsidized fuel and flexibility in approaches towards subsistence and artisanal fishing were of interest to Pacific Island countries.

The Pacific Small Island Developing States also initiated and advanced language on fisheries, including subsidy reform, in the U.N. Sustainable Development Goals.

What could the FFA produce/do on fisheries subsidies?

Overall, FFA countries are strong supporters of fisheries subsidies reform, particularly in relation to distant water fleets. These countries continue to work to get fisheries subsidies language included in U.N. texts, and could advance this issue in other fora, such as regional fisheries management organizations.

The FFA could provide expertise and technical assistance to its members, and assist them in making decisions about subsidies and their tuna resources. The FFA could also participate in regional decision-making on subsidies and tuna management.

In the long term, FFA nations could explore policies to restrict or deny access to their EEZs to subsidized fleets. However, pursuing such policies would likely require more study and analysis of potential economic and social impacts.

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South Pacific Regional Fisheries Management Organisation (SPRFMO)

Overview

The South Pacific Regional Fisheries Management Organisation (SPRFMO) is an intergovernmental organization that manages all species and straddling stocks, except highly migratory species, within the waters of the Southern Pacific Ocean beyond areas of national jurisdiction. However, the SPRFMO members also have a duty to comply with the policies and measures within areas of national jurisdiction.

The objective of the SPRFMO is to ensure the long-term conservation and sustainable use of fishery resources through the application of the precautionary approach and an ecosystem approach to fisheries management.

SPRFMO has 13 members including Australia, Belize, Chile, China, Cook Islands, Cuba, Denmark on behalf of the Faroe Islands, European Union, South Korea, Russia, Chinese Taipei, Vanuatu, and New Zealand.

It also has six cooperating non-contracting party countries including Colombia, Ecuador, Liberia, Panama, Peru, and the United States.

The cooperating non-contracting parties can participate at meetings, comply with measures adopted by the SPRFMO, provide data, and respond to allegations of violations of measures. Non-contracting parties are subject to revocation of status and/or sanctions for failing to comply with SPRFMO measures.

Governance and Decision-Making

The SPRFMO Commission is the main decision-making body. Cooperating non-members may not vote, but can choose to be bound by the decisions of the Commission.

The Commission makes decisions by consensus, but there are provisions for voting, if required. The decisions of the Commission are binding against members and cooperating non-contracting parties, and are enforced by the SPRFMO. The Commission can also establish monitoring, control, surveillance, compliance, and enforcement procedures, including non-discriminatory market-related and trade-related measures.

There are also a series of subsidiary bodies, including a Scientific Committee, Compliance and Technical Committee, Eastern Sub-regional Management Committee, Western Sub-regional Management Committee, Finance and Administration Committee, and a Secretariat.

International governmental organizations (IGOs), non-governmental organizations (NGOs), and other governments may participate as observers (and may engage in deliberations but not decisions) in the Commission and its subsidiary bodies.
History and experience of the SPRFMO on fisheries subsidies

The SPRFMO is a relatively new regional fisheries management organization. To date, it has not had direct involvement in addressing fisheries subsidies. However, most of the country members and non-contracting countries have experience with the fisheries subsidies issue. In addition, the three countries that initiated the SPRFMO are continuing supporters of fisheries subsidies reform in other international fora.

What could the SPRFMO produce/do on fisheries subsidies?

Due to its relatively new status, the SPRFMO could be a useful forum to advance discussion, generate commitment, and advance subsidy reform measures. The SPRFMO could adopt binding and other conservation measures related to fisheries subsidies. The SPRFMO could establish measures to prohibit or limit harmful fisheries subsidies, particularly given its precautionary approach towards fisheries management. The SPRFMO could also require information about fisheries subsidies programs in its data collection rules.

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Overview

The Common Market of the South (MERCOSUR) is a trade agreement, a negotiating bloc, and a customs union. The mission of MERCOSUR is to increase the efficiency and competitiveness of the five participating economies by opening markets and accelerating economic development, making better use of resources and ensuring conservation of the environment, improving communications, and coordinating macroeconomic policies.

Members of MERCOSUR include Argentina, Brazil, Paraguay, Uruguay, and Venezuela. Associate members include Bolivia, Chile, Colombia, Ecuador, and Peru. Mexico is an observer.

Governance and Decision-Making

The Council of the Common Market is the superior body of MERCOSUR. It is responsible for the formulation and the implementation of actions by MERCOSUR. The Council meets whenever it is necessary but at least once a year. A president leads the Council and the alphabetical order of member countries determines the holder of the presidency every six months.

The Common Market Group oversees and carries out the decisions of the Council and proposes actions to pursue policy.

The MERCOSUR Trade Commission is a more technical body. It assists the Group and covers the implementation of common trade policy mechanisms within MERCOSUR and third countries.

There is also a working group on the environment. The working group has discussed issues such as environment and competitiveness, non-tariff barriers to trade, and common systems of environmental information.

History and experience of MERCOSUR on fisheries subsidies

There is no history of MERCOSUR in the discourse on fisheries subsidy reform. However, MERCOSUR has some internal policy cohesion and a history of pursuing disciplines against trading partners who subsidize sectors important to MERCOSUR countries. For example, agricultural subsidies are a critical issue in the current trade negotiations between MERCOSUR and the European Union (EU).

Most of the MERCOSUR members and other affiliated countries have experience with the fisheries subsidies issue and were supportive of reforms in the related WTO negotiations. Furthermore, trade in fish has been an issue within the negotiating dialogue between MERCOSUR and the EU.15
What could MERCOSUR produce/do on fisheries subsidies?

It is difficult to assess what might be appropriate for the organization to pursue because of its limited past involvement in fisheries issues. However, MERCOSUR could potentially exact an external tariff to restrict imports whose prices are influenced by subsidies, particularly imports from countries that institute harmful fisheries subsidies programs. MERCOSUR could also institute its own subsidy reforms through member commitments.

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Overview

The Transatlantic Trade and Investment Partnership Agreement (TTIP) will be a bilateral trade and investment agreement between the United States (U.S.) and the European Union (EU). It aims to further integrate the transatlantic economic relationship between the U.S. and EU by removing trade barriers in a wide range of sectors. The U.S. and EU represent the world’s largest trade relationship, exchanging goods and services worth $USD 2.3 billion each day. Consequently, the TTIP may also influence global trade rules that contribute to other multilateral trade systems.

The U.S. and EU launched the TTIP negotiations in June 2013. While the exact timing of this agreement is not clear, the anticipated timeframe is approximately two to three years for completion.

Governance and Decision-Making

Decisions on process and substance are made between the participating nations. The U.S. and EU have to reach agreement on all matters brought before the negotiation. The European Commission negotiates on behalf of the EU member states.

The U.S. and EU delegations issue updates and statements on the status of negotiations and hold consultations and meetings with external stakeholders. A primary channel of action is through direct outreach, education, and advocacy with the U.S., EU, and European member state governments.

History and experience of the TTIP on fisheries subsidies

In August 2014, the U.S. declared fisheries subsidies as a key issue in its announcement of its objectives and goals for the TTIP negotiations. The TTIP will be a bilateral agreement with legally enforceable trade rules and disciplines that could extend to fisheries subsidies. Comparatively, the EU has taken an initial position that provisions in the “sustainable trade and development” chapter should not be binding.

The U.S. and EU are leading players in the international trade of fish and fish products. Together they account for approximately 16 percent of the global catch by weight and are regularly ranked in the top five importers and exporters worldwide. Uniting these two markets in a trade and investment agreement could have a huge impact on global fisheries both economically and environmentally.

Both the U.S. and EU engage in foreign fishing activity, although at considerably different levels. The operations of large-scale, distant water fleets are often highly subsidized. Such subsidies enable fishing endeavors that often would not be profitable.
What could the TTIP produce/do on fisheries subsidies?

The trade negotiations between the U.S. and EU provide an opportunity to obtain an international agreement reducing subsidies. The TTIP could potentially address fisheries subsidies through commitments to freeze and reduce fisheries subsidies as well as propagate best practices for their fisheries sectors with an aim to curb harmful fisheries subsidies.

The benefits of bringing the U.S. and EU into agreement to reduce harmful fishing subsidies would address these practices in two of the world's largest fleets, and also create a replicable foundation for subsidy reform, particularly for other large economies.

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Overview

The Trans-Pacific Partnership (TPP) is a regional trade agreement. The TPP seeks to liberalize trade and investment and promote Pacific-wide economic integration. The TPP aims to be a high-standard 21st century agreement that addresses both traditional trade issues and "new" areas, such as intellectual property, state-owned enterprises, e-commerce, labor, and environment. The TPP is intended to serve as a platform for a larger Asia-Pacific trade agreement and envisions the addition of more countries in the future.

The TPP partners include Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, United States, and Vietnam.

Governance and Decision-Making

Decisions on substance and process are made by the participating countries. The parties will have to reach agreement on all matters brought before the negotiations.

There are designated "Chairs" for the various negotiating areas to facilitate process and other functions. The Chair of the environment negotiations is Canada.

Negotiating rounds have been occurring regularly since 2011. The TPP parties also have meetings of their ministers and chief negotiators, and various bilateral meetings.

Country delegations issue updates and statements on the status of negotiations and hold consultations and meetings with external stakeholders. A primary channel of action is through direct outreach, education, and advocacy with the participating country governments.
History and experience of the TPP on fisheries subsidies

The TPP countries represent 36 percent of the global marine catch and include five of the top ten global producers.\textsuperscript{16}

The TPP became particularly important for fisheries subsidies reform as the WTO Doha round began to falter. This led some of the countries that were proponents of reform at the WTO to more aggressively and actively pursue fisheries subsidies in the TPP, including disciplines on subsidies. The TPP is viewed as a complementary effort to any multilateral agreement on fisheries subsidies that may eventually emerge from the WTO.

The TPP will potentially include prohibitions of subsidies that affect fisheries in overfished conditions, and subsidies that are found to be linked to Illegal, Unreported, and Unregulated (IUU) fishing, in addition to a commitment to refrain from creating new programs or extending or enhancing current subsidies programs. The TPP partners are also negotiating other provisions on fisheries management, bycatch reduction, conservation of sharks and other vulnerable marine species, seafood traceability, and IUU fishing.

What could the TPP produce/do on fisheries subsidies?

The TPP presents an important opportunity to achieve the first international provisions to control and reduce fisheries subsidies. The TPP will have legally enforceable trade rules and disciplines. These rules and disciplines can be used to bind commitments on fisheries subsidies on the TPP parties. The TPP could also establish cooperative plans to freeze or reduce fisheries subsidies as well as propagate best practices for the fisheries sector with an aim towards curbing harmful fisheries subsidies.

Achievement on fisheries subsidies reform in the TPP would be precedent setting and help shape international trade rules as it will likely serve as a reference for future trade agreements.

Contact Information

Contact is through the governments of the TPP countries.
Overview

The United Nations (U.N.) is an international organization established to promote international cooperation. The U.N. has four main purposes:

- To keep peace throughout the world
- To develop friendly relations among nations
- To help nations work together to improve the lives of poor people, to conquer hunger, disease and illiteracy, and to encourage respect for each other’s rights and freedoms
- To be a center for harmonizing the actions of nations to achieve these goals

The U.N. has 193 member states.

Governance and Decision-Making

The United Nations General Assembly (UNGA) is the main deliberative, policymaking, and representative organ of the U.N., comprising all 193 members. The Secretariat carries out the day-to-day work of the organization and provides studies, information, and the facilities needed by the U.N. Due to its unique international character, the U.N. can take action on a wide range of issues.

The U.N. includes 15 agencies and several programs and bodies.

There are a number of specialized programs and agencies that could serve as potential vehicles for fisheries subsidies reform. These include the following:

- United Nations Conference on Trade and Development (UNCTAD)
- United Nations Development Programme (UNDP)
- United Nations Environment Programme (UNEP)
- United Nations Food and Agriculture Organization (FAO)

The decision-making process in U.N. agencies is publicly accessible and transparent, allowing for civil society interaction. However, the U.N. is also notorious for its bureaucracy. While decision-making is fairly straightforward, the size and complexity of the bureaucracy can be daunting and confusing for outsiders. It is typically recommended that organizations that want to seriously engage with U.N. agencies seek the knowledge of former U.N. staff who can help them comprehend internal processes, procedures, and timelines.

Below are profiles for each of the agencies listed above. Each agency was profiled and assessed individually for its specific/unique potential to produce outcomes related to fisheries subsidies reform. Outcomes from the U.N. agencies, in turn, affect what the UNGA is capable of acting on.
United Nations Conference on Trade and Development (UNCTAD)

Overview

The United Nations Conference on Trade and Development (UNCTAD) is the U.N. body responsible for trade, investment, and development. UNCTAD is a subsidiary body of the UNGA and has 194 members.

UNCTAD’s goals are to “maximize the trade, investment and development opportunities of developing countries and assist them in their efforts to integrate into the world economy on an equitable basis.”

UNCTAD produces analyses that form the basis for recommendations to economic policymakers. UNCTAD is also a forum where representatives of all countries can freely engage in dialogue and discuss ways to establish a better balance in the global economy.

In addition, UNCTAD offers direct technical assistance to developing countries and countries with economies in transition, helping them to build the capacities they need to become equitably integrated into the global economy and improve the well-being of their populations. It also holds discussions with civil society, including at an annual symposium where members of the public can express their views and interact with country representatives.

Every two years, UNCTAD organizes the World Investment Forum, which brings together major players from the international investment community to discuss challenges and opportunities and to promote investment policies and partnerships for sustainable development and equitable growth.

Governance and Decision-Making

UNCTAD is led by a Secretary-General. The primary intergovernmental machinery of UNCTAD includes the Conference, the Trade and Development Board, Commissions, and expert meetings.

The Conference, a ministerial-level meeting, meets every four years to assess trade and development issues and to discuss policy options and global policy responses. The Conference also sets the organization’s mandate and work priorities.

The Trade and Development Board oversees the activities of the organization between the quadrennial conferences. It meets in regular session and up to three times a year in executive sessions to deal with urgent policy issues.

There are commissions mandated to follow Trade and Development; Investment, Enterprise and Development; and Science and Technology for Development. The commissions meet once a year, and each Commission convenes a number of expert meetings on specific topics.
History and experience of UNCTAD on fisheries subsidies

Since he took office in September 2013, the UNCTAD Secretary-General Mukhisa Kituyi has reinforced the relevance of fisheries subsidies and asserted the urgent need to phase out subsidies that contribute to overcapacity and overfishing. Notably, the Secretary-General specifically called for the WTO to make fisheries subsidies a priority in its post-Doha round program.

UNCTAD and the U.N. Environment Programme (UNEP) are also working closely together on developing a clear course of action on fisheries subsidies reform. With UNCTAD's assistance as a close advisor, UNEP's Economics and Trade Branch (ETB) is working actively to promote integrated and well-informed responses to the need for fisheries subsidies reform. Through a series of workshops, analytic papers, and country projects, the ETB seeks to improve the understanding of the impact of fisheries subsidies and to present policy options to address harmful impacts.

What could UNCTAD produce/do on fisheries subsidies?

UNCTAD has the potential to make significant contributions towards global fisheries subsidies reform, given the current Secretary-General's commitment to the issue and UNCTAD's ability to interact at high levels with other organizations, such as the WTO, other U.N. agencies, and around trade agreements. Two specific outcomes could include 1) an official endorsement of fisheries subsidies reform as one of the targets in a standalone marine conservation Sustainable Development Goal, and 2) the elevation of fisheries subsidies discussions to the highest levels in other organizations and trade negotiations.

The following are some other activities UNCTAD could undertake:

• UNCTAD, particularly the ministerial-level Conference, could promote and support international consensus building for fisheries subsidies reform.

• UNCTAD could provide international support to advance workable measures for fisheries subsidies reform and provide technical assistance to countries or other organizations.

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United Nations Development Programme (UNDP)

Overview

The United Nations Development Programme (UNDP) is the U.N.'s global development network. Its mission is to “advocate for change and connect countries to knowledge, experience and resources to help people build a better life.” UNDP is at the center of the U.N.'s efforts to reduce global poverty.

UNDP works in four focus areas:

- Poverty reduction and achievement of the Millennium Development Goals
- Environment and Energy for Sustainable Development
- Democratic Governance
- Crisis Prevention and Recovery

UNDP has offices in 177 countries and territories and plays an important role as a partner to countries for national-level development work.

Governance and Decision-Making

UNDP is led by the UNDP Administrator and is also the chair of the U.N. Development Group (UNDG). The UNDG brings together the 32 U.N. agencies that work on development.

The Executive Board of UNDP is comprised of representatives from 36 countries. It is responsible for providing intergovernmental support to activities undertaken. Decisions are adopted by consensus among members of the Executive Board.

Board members are elected for three-year terms with a geographic breakdown of membership as follows: African States (8), Asian and Pacific States (7), Eastern European States (4), Latin American, and Caribbean States (5), and Western European and other States (12).

The Executive Board holds two regular sessions and one annual session each year.
What could UNDP produce/do on fisheries subsidies?

One of the main outcomes of the Rio+20 Conference of 2012 was the agreement by U.N. members to develop a set of Sustainable Development Goals (SDGs), geared towards replacing the Millennium Development Goals when they expire in 2015. The UNDP is facilitating the deliberations around the SDGs.

The first draft of the SDGs includes a goal addressing marine conservation. This goal is comprised of ten targets, including one dedicated to fisheries subsidies:

*By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, and eliminate subsidies that contribute to IUU 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 WTO fisheries subsidies negotiation taking into account ongoing WTO negotiations and WTO Doha Development Agenda and Hong Kong Ministerial Mandate.*

The SDGs are currently being finalized, including measures for implementation and a framework for monitoring and reviewing implementation. A U.N. Summit for the adoption of the SDGs will be held in September 2015 in New York. This Summit will be convened as a high-level plenary meeting of the UNGA.

Overall, the SDGs are the preeminent structure to achieve global recognition towards reforming harmful fisheries subsidies. In addition, if the marine conservation goal is established in the final SDGs, there will be dedicated funding over the next decade to address the targets, which currently includes fisheries subsidies.

What could UNDP produce/do on fisheries subsidies?

The most significant outcome would be producing a standalone SDG for marine conservation that maintains the fisheries subsidies language close to its current form.

The following are some other activities UNDP could undertake:

- UNDP could produce non-binding declarations and joint statements that make recommendations on member policies and activities involving fisheries subsidies.

- UNDP could set a global level of ambition for fisheries subsidy reform against which the national performance of governments could be compared.

- Through the Poverty-Environment Initiative, UNDP could also assist government policymakers with financial and technical support, to manage resources in a way that improves livelihoods and leads to sustainable growth.
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**United Nations Environment Programme (UNEP)**

**Overview**

The United Nations Environment Programme (UNEP) coordinates the U.N.'s environmental activities and assists developing countries in implementing environmentally sound policies and practices.

UNEP assesses international, regional, and national environmental trends and issues and works on developing solutions at each scale. Another key aspect of UNEP's work includes strengthening institutions for the wise management of the environment.

**Governance and Decision-Making**

UNEP is led by an Under Secretary-General and Executive Director. The U.N. Environmental Assembly (UNEA) is the governing body of UNEP. All 193 U.N. member countries and observers participate in the discussions and decision-making of UNEA.

UNEA is mandated to take strategic decision and provide political guidance in UNEP’s work. UNEA meets biennially and concludes with a two-day high-level segment.

The Committee of Permanent Representatives (CPR) is a subsidiary inter-sessional body of UNEA. The CPR is composed of representatives of all members states accredited to UNEP. The CPR provides policy advice to UNEA, contributes to decisions to be adopted by UNEA, and oversees their implementation. The CPR meets biennially. It also organizes briefings and thematic debates as necessary to consider particular issues in depth.

**History and experience of UNEP on fisheries subsidies**

UNEP has, helped draw international attention to the subject of fisheries subsidies reform since the mid-1990's by facilitating critical dialogue among the trade, environment, and fisheries policy communities. UNEP has also contributed to the discussion of fisheries subsidies through workshops, analytical papers, and country projects.

UNEP’s Economics and Trade Branch (ETB) is working on promoting the need for fisheries subsidies reform, improving the understanding of the impact of fisheries subsidies, and presenting policy options to address harmful impacts. UNEP works in close collaboration with other U.N. agencies, governments, NGOs, and Regional Fisheries Management Organizations, primarily through workshops, publications, and country projects. As mentioned under the UNCTAD profile, UNEP is collaborating with UNCTAD on an integrated response to fisheries subsidies reform.

Overall, UNEP is clearly committed to the issue of fisheries subsidies reform. However, its primary role is as a convener and producer of policy and technical information.
What could UNEP produce/do on fisheries subsidies?

UNEP continues to lead international efforts to raise awareness about the need for fisheries subsidies reform. A key role is providing UNDP with the tools and information needed to ensure that language on fisheries subsidies reform in the SDGs remains strong and can be made operational. Similarly, UNEP can take an important education and advocacy role to ensure that a standalone marine conservation goal, including fisheries subsidies, becomes a reality in the final SDGs.

The following are some other activities UNEP could undertake:

• UNEP could aid in the formulation of guidelines and international agreements on fisheries subsidies.

• UNEP could play a role in developing international conventions, promoting fisheries subsidies science and information and illustrating the way those can be implemented.

• UNEP could play a lead role in facilitating dialogue among stakeholders at the international level. It could also contribute to the discussion through the organization of workshops, the publication of analytical papers, and country projects.

• UNEP could support countries wishing to explore pathways for fisheries reforms at the regional or national levels. It could provide essential knowledge and capacity for countries to obtain the necessary ability and investments to enact reforms.

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United Nations Food and Agriculture Organization (FAO)

Overview

The United Nations Food and Agriculture Organization (FAO) is an intergovernmental organization and the largest autonomous agency within the U.N.

The FAO’s mandate is to raise levels of nutrition and standards of living, and improve agricultural productivity and the livelihood of rural populations. Its work addresses land and water development, plant and animal production, forestry, fisheries, economic and social policy, investment, nutrition, food standards, and trade.

The FAO is headquartered in Rome and is present in more than 130 countries. The FAO is composed of six departments, including the Fisheries and Aquaculture Department.

The FAO’s long-term strategy and activities related to fisheries are defined by its vision of a world in which the responsible and sustainable use of fisheries and aquaculture contribute to human well-being, food security, and poverty alleviation. The FAO seeks to strengthen global governance and the managerial and technical capacities of its members and to lead consensus-building towards improved conservation and utilization of aquatic resources.

Every two years the FAO publishes its premier fisheries document *The State of World Fisheries and Aquaculture* (SOFIA). This document provides a comprehensive view of the world’s fisheries and aquaculture, including associated policy issues.

The FAO also aims to make a significant contribution to the attainment of the Millennium Development Goals and the targets set by the World Summit on Sustainable Development and the World Food Summit.

Governance and Decision-Making

The FAO is governed by the Conference of Member Nations.

The Conference elects a Director-General to head the agency for a four-year term. The Conference also elects a Council of 49 member nations to act as a governing body. Country representatives meet biennially at the FAO Conference to review global governance issues and international frameworks. They also evaluate the ongoing work and approve the budget for the next biennium.

The Committee of Fisheries (COFI) is a subsidiary body of the FAO Council. It is the only global intergovernmental forum where major international fisheries issues are examined and recommendations addressed to the FAO, governments, regional fisheries bodies, and other stakeholders. COFI is also used as a forum where global agreements and non-binding instruments can be negotiated.
COFI can establish committees and has put in place a Sub-Committee on Fish Trade, which provides a forum for consultations on the technical and economic aspects of international trade in fish and fishery products. The reports presented through COFI are almost always prepared by the staff of the Fisheries and Aquaculture Department, and discussed and agreed to prior to COFI meetings. The actual COFI meetings typically are used for political matters and for the convening of the broader international fisheries community.

**History and experience of the FAO on fisheries subsidies**

The FAO has a long history with fisheries subsidies. The agency's involvement dates back to its technical examinations of subsidies to the fishing sector in the 1960's. Throughout the 1990's, it helped draw international attention to the subject of fisheries subsidies reform. For many decades, the FAO has also provided invaluable information about fisheries subsidies to development, environment, and policy communities through workshops and analytical papers and studies.

**What could the FAO produce/do on fisheries subsidies?**

As the sole globally recognized source for unbiased fisheries data, the FAO has an important role to play in 1) advancing worldwide discussion and action to address harmful fisheries subsidies, and 2) supporting the United Nations Development Programme’s efforts to produce fisheries subsidies language in the Sustainable Development Goals.

The following are some other activities the FAO could undertake:

- The FAO could collect, analyze, and make information on fisheries subsidies available to global stakeholders.

- The FAO could also provide direct development assistance, offer policy expertise to governments, strengthen political commitment and cooperation to address fisheries subsidies, and act as an international forum for debate on the topic.

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Overview

The World Bank is the largest multilateral development bank, and through its entities – the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA) – has traditionally held the largest global portfolio of “marine-related” investment projects (~ $USD 1.8 billion in 2014) of any organization in the world.

The World Bank seeks to achieve the following primary objectives by 2030:

• End extreme poverty by decreasing the percentage of people living on less than $1.25 a day to no more than 3 percent

• Promote shared prosperity by fostering the income growth of the bottom 40 percent in every country

While following the U.N. Millennium Development Goals, the Bank is “demand-driven” and provides low-interest loans, zero to low-interest credits, and grants to developing countries. These support a wide array of investments in areas such as education, health, public administration, infrastructure, financial and private sector development, agriculture, and environmental and natural resource management. Some of the Bank’s projects are co-financed with governments, other multilateral institutions, commercial banks, export credit agencies, and/or private sector investors.

The Bank can also provide or facilitate financing through trust fund partnerships with bilateral and multilateral donors. These partners sometimes ask the Bank to help manage initiatives that address needs across a wide range of sectors and developing regions.

Finally, the Bank also offers support to developing countries through policy advice, research and analysis, and technical assistance. This analytical work often underpins World Bank financing and helps inform developing countries’ own investments. Capacity development within client countries and policy education are among the Bank’s core competencies.

Fisheries investments occur primarily through knowledge products and country projects.

The Knowledge Products (KPs) on fisheries have been technical research papers and policy pieces (mostly on fisheries economics). These products support Bank work at the country level, and have helped raise the level of attention of fisheries issues at governance levels and with the Bank’s donors.

Country Projects occur through IDA grants and IBRD loans, and range from infrastructure investments to governance reforms and capacity building. Close to 99 percent of the Bank’s investments in fisheries occur through this mechanism.
In July 2014, the Bank initiated a major reorganization. A key element in this reorganization is the restructuring of all work areas into thematic “global practices” rather than by geographic orientation. For fisheries subsidies reform, most relevant is the Environment and Natural Resources Global Practice, which has sole responsibility for the Bank’s oceans portfolio. However, the Agriculture Global Practice and Trade & Competitiveness Global Practice also have knowledge about fisheries subsidies and could be potential channels for activity.

**Governance and Decision-Making**

The Bank’s organizational leadership structure is comprised of a Board of Governors, a Board of Executive Directors, and a president. The Board of Governors is the highest decision-making body and consists of one governor for each member country. The governors, who are generally finance ministers, meet annually. They delegate day-to-day authority over operational policy, lending, and other business matters to the Board of Executive Directors.

The Bank is owned by its member governments, and each member government is a shareholder of the institution. The largest shareholders include the United States, Japan, Germany, United Kingdom, and France. Together these five countries hold approximately 40 percent of the total shares. On the Board of Directors, each of these shareholders has an individual seat. The remaining members are represented by 20 executive directors, who are elected every two years by groupings of countries. Each executive director has one vote.

Decisions are typically decided by consensus and are based on traditional practices and agreements rather than formal rules or guidelines. Outward opposition is not common and is taken as a significant action. If there is dissent, countries typically abstain or are silent.

Decision-making for KPs occurs at the Global Practice level and only requires the approval of the senior director. Small KPs are usually completed within a one-year period. Larger KPs typically take two to three years and can require multiple levels of approval before being initiated, if they are interdepartmental.

Decision-making for country-level investments is more complex, and typically occurs over a development and review period of two years or more. Project requests must be made by a client country. In this process, various fiduciary, social, and environmental safeguards need to be met.

**History and experience of the World Bank on fisheries subsidies**

Within the World Bank, fisheries are already identified as a key part of the global food security solution, both in an anti-poverty agenda as well as a vital source of nutrition for the world’s poor. However, fisheries subsidies have not yet been the main subject of a KP and/or an investment project.

In the knowledge product *Sunken Billions*, the World Bank and the FAO reported that due to the poor state of the world’s marine fisheries, the loss of economic benefits is estimated to be about $USD 50
billion annually. The paper suggests that if the governance of marine fisheries is improved, the world economy could recover a substantial part of this economic loss. This report included significant commentary on fisheries subsidies.

The Global Partnership for Oceans (GPO) also had an objective to reduce subsidies that promote overfishing (by 2020). The GPO was a partnership initiative led by the World Bank with governments, civil society organizations, private sector companies, associations, research institutions, U.N. agencies, development banks, and foundations. In January 2015, the Bank announced that it would no longer continue the GPO as an independent platform, and will address the objectives of the GPO through the Bank’s common agenda on environment and natural resources.

**What could the World Bank produce/do on fisheries subsidies?**

The Environment and Social Framework sets the conditions on which the Bank lends, and every project is reviewed against it. The Bank is currently updating the Framework. The Bank could advance a policy on fisheries subsidies through the Framework. This would be the most effective way to ensure that harmful subsidies to fisheries do not occur.

The Bank could produce a KP on the need to eliminate harmful fisheries subsidies, which would inform the Bank’s country staff, clients, and Board of Directors. KPs are the primary way that the Bank advances policy across its country clients. They are important because they represent the official position of the World Bank. Although not binding, a product on fisheries subsidies would be very influential as countries take this guidance seriously in the development of their proposals and projects.

The Bank, in conjunction with a country government, could initiate a project to redirect funds from harmful fisheries subsidies programs towards initiatives to promote sustainable fisheries and community resilience. This could occur through a governance reform type project, but might be difficult and/or lengthy to put into place.

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World Trade Organization (WTO)

Overview

The World Trade Organization (WTO) is the organization responsible for setting the global rules governing trade among nations.

The WTO serves as a forum for governments to negotiate trade agreements and to settle trade disputes and conduct trade policy reviews of its members. At the organization’s core is a set of agreements that provide the legal “ground rules” for international commerce. Under these agreements governments commit, in an enforceable way, to keep their trade policies within agreed limits.

The WTO currently has 161 member countries (as of December 2014).

Governance and Decision-Making

The WTO is run by its member governments. All major decisions are made by the membership as a whole, normally by consensus. The WTO has a very small Secretariat, particularly in comparison to other international organizations.

Above all, the WTO is a negotiating forum, and everything that it does is the result of negotiations. The bulk of the WTO’s current work comes from the 1986-94 negotiations called the Uruguay Round and earlier negotiations under the General Agreement on Tariffs and Trade (GATT).

The WTO Agreement on Subsidies and Countervailing Measures disciplines the use of subsidies, and it regulates the actions countries can take to counter the effects of subsidies.

The WTO also hosts new negotiations. The most recent negotiation was the Doha Round, launched in 2001, which has not been completed. WTO negotiations have historically been organized under the guiding principle of the “single undertaking.” The single undertaking asserts that virtually every item of the negotiation is part of a whole and indivisible package and cannot be agreed separately – that is, “nothing is agreed until everything is agreed.”

The WTO’s highest authority is the ministerial conference, which meets at least once every two years. The ministerial conference is responsible for setting the strategic direction of the organization and making all final decisions on agreements.
There is also the General Council, the Dispute Settlement Body, and the Trade Policy Review Body.

The General Council meets regularly to carry out the functions of the WTO. It is comprised of representatives (usually ambassadors or equivalent) from all member governments and has the authority to act on behalf of the ministerial conference. The Dispute Settlement Body, oversees the dispute resolution process and the implementation of decisions. The Trade Policy Review Body analyzes the trade policies of WTO members according to designated schedules.

The WTO also has other councils, subsidiary bodies, and committees representing broad areas of trade. Particularly relevant to the issue of fisheries subsidies is the standing committees on Trade and Environment.

**History and experience of the WTO on fisheries subsidies**

Since its establishment in 1995, there has been discussion in the WTO of including fisheries subsidies in its trade agenda because of its importance to international commerce, but also as an issue of protecting natural resources.

From 2001 to 2011, the WTO was engaged in a dedicated negotiation on fisheries subsidies as part of its larger Doha trade round. In these negotiations, significant and unprecedented gains were made on the issue, including how subsidy reform could be made operational globally and how to address sustainability in a legal context. The Doha round was never completed, and as a result a WTO fisheries subsidies agreement has not been established.

However, the WTO fisheries subsidies negotiations had lasting impacts. The negotiations created international visibility and commitment to the topic and reform actions. Fisheries subsidies has also become a subject that is “institutionalized” in the WTO and with some governments, even beyond the Doha negotiations.

In December 2013, 13 countries, including Argentina, Australia, Chile, Colombia, Costa Rica, Ecuador, Iceland, New Zealand, Norway, Pakistan, Peru, Philippines, and the United States, issued a statement at the 9th WTO Ministerial Conference in Bali calling for WTO members to take action at all levels, including national, regional, and multilateral, to reform and strengthen disciplines on fisheries subsidies.

In 2015, the WTO is expected to adopt a “post-Doha work program” to be undertaken in the next two years. It is currently unclear how fisheries subsidies might be included in such a program.
What could the WTO produce/do on fisheries subsidies?

The WTO could establish new disciplines and rules on fisheries subsidies. The multilateral trading system represents the best opportunity to address the problem of fisheries subsidies at a global scale. The nature of fisheries as a common resource makes removing subsidies at a national or regional level difficult, as those that agree to reduce their subsidies could be disadvantaged by other parties that have the same access to the resource. In addition, unlike many other international organizations, the WTO adopts rules that are binding, making any new measures on fisheries subsidies legally enforceable.

The following are some other activities the WTO could undertake:

- The WTO could issue a ministerial statement or decision by the General Council (such as to initiate a "pause") on fisheries subsidies.
- The WTO could pursue policy and technical work within its standing committees.
- Fisheries subsidies could be more systematically incorporated into the Trade Policy Review (TPR) process. Similarly, WTO members could raise inquiries on the practices of specific countries in their respective TPRs.
- A country or countries could pursue a WTO case on fisheries subsidies if there is a relevant scenario.
- WTO subsidy notification on fisheries subsidies could be enhanced.
- Information about fisheries subsidies and their impacts and effects could be incorporated into the training and capacity building programs of the WTO.

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Notes

8 OECD/ECOWAS 2008.
11 More specific and lengthy decision-making information can be found in Article IX of the Antigua Convention.
12 Please see articles X and XI of the AC for the specific roles and responsibilities of the committees.
14 For additional information on the Commission’s powers please see Article 8 of the Convention on the Conservation and Management of High Seas Fishery Resources in the South Pacific Ocean available at https://www.sprfmo.int/assets/Convention-SPRFMO.pdf.
Appendix: Venue Identification

A broad search was conducted to identify organizations, groups, blocs, and other entities with general applicability to fisheries subsidies and/or key related areas. This list is included below.

Each venue was reviewed for its involvement in fisheries or ocean conservation, addressing subsidies, and/or association with development issues or projects. Since development is a frequent objective of many international organizations, preference was given to venues that engage in activity related to marine or coastal issues, trade, food security, and/or capacity building. Further research was conducted on the venues that were found to possess at least one of these elements.

Twenty-one venues were selected for analysis as potential vehicles for subsidy reform, and are included in the profiles and assessments of the previous section. These venues possess at least one of the above selection elements (and are more likely to have two or all three as part of their repertoire), have particular promise for addressing fisheries subsidies reform, and collectively represent geographic diversity.

The selected venues are indicated with an asterisk in the below list.

INTERNATIONAL

Organizations

• World Trade Organization (WTO)*
• Organisation for Economic Co-operation and Development (OECD)*
• United Nations
  – United Nations Conference on Trade and Development (UNCTAD)*
  – United Nations Development Programme (UNDP)*
  – United Nations Environment Programme (UNEP)*
  – United Nations Food and Agriculture Organization (FAO)*

Groups and Blocs

• G8
• G-20*
• G77 (United Nations) and related subgroup G24
• WTO Friends of Fish Group
• Cairns Group
Development Banks

- International Monetary Fund (IMF)
- World Bank*
- Global Environment Facility (GEF)
- African Development Bank (AfDB)
- Asian Development Bank (ADB)
- Bank of the South
- Inter-American Development Bank (IDB)

Regional Fisheries Management Organizations

- Commission for the Conservation of Southern Bluefin Tuna (CCSBT)
- Convention on Conservation of Antarctic Marine Living Resources (CCAMLR)
- Indian Ocean Tuna Commission (IOTC)
- Inter-American Tropical Tuna Commission (IATTC)*
- International Commission for the Conservation of Atlantic Tunas (ICCAT)
- South Pacific Regional Fisheries Management Organisation (SPRFMO)*
- Western and Central Pacific Fisheries Commission (WCPFC)

Africa

- African, Caribbean, Pacific (ACP) Group
- African Economic Community
- African Union*
- COMESA-EAC-SADC Tripartite/Tripartite Free Trade Area (TFTA)*
- Common Market for Eastern and Southern Africa (COMESA)
- Community of Sahel-Saharan States (CEN-SAD)
- East African Community (EAC)
- Economic Community of Central African States (ECCAS/CEEAC)
- Economic Community of West African States (ECOWAS)*
- Intergovernmental Authority on Development (IGAD)
- Southern African Development Community (SADC)

Americas and the Caribbean

- ALBA (formally, the Bolivarian Alliance for the Peoples of Our America - Peoples’ Trade Treaty)
- Association of Caribbean States
- Caribbean Community and Common Market (CARICOM)*
- Community of Latin American and Caribbean States (CELAC)
- Common Market of the South (MERCOSUR)*
- Dominican Republic-Central America Free Trade Agreement (CAFTA-DR)
- North American Free Trade Agreement (NAFTA)
- Organization of American States
- Organization of Eastern Caribbean States (OECS)
- South-South Cooperation
- Union of South American Nations
Asia and the Pacific

- Asia Cooperation Dialogue
- Asia-Pacific Economic Cooperation (APEC)*
- Association of Southeast Asian Nations (ASEAN)/Regional Comprehensive Economic Partnership (RCEP)*
- East Asia Summit
- Indian Ocean Rim Association
- Pacific Islands Forum
- Pacific Islands Forum Fisheries Agency (FFA)*
- Parties to the Nauru Agreement (PNA)/“Tuna Cooperation”
- Secretariat of the Pacific Community (SPC)
- South Pacific Regional Environment Programme (SPREP)
- Trans-Pacific Partnership (TPP)*

Commonwealth and Europe

- The Commonwealth of Nations*
- European Free Trade Association (EFTA)
- European Union Economic Partnership Agreements and regional negotiating entities:
  Economic Community of West African States, la Communauté économique et monétaire de l’Afrique centrale, Southern African Development Community, East African Community, Eastern and Southern Africa (ESA), Caribbean Community + Dominican Republic (CARIFORUM), and Pacific region
- Inter-Parliamentary Union
- Transatlantic Trade and Investment Partnership (TTIP)*

Middle East

- Arab League
- Arab Maghreb Union (UMA)
- Gulf Coordination Council (GCC)
The Scope and Impacts of Fisheries Subsidies

- What is a Subsidy?
- The Relation of Subsidies, Overcapacity, and Overfishing
- Categories and Types of Fisheries Subsidies
- Uses of Subsidies
- Estimating the Magnitude of Fisheries Subsidies
- Fuel Subsidies
- Subsidies and Illegal, Unreported, and Unregulated (IUU) Fishing
- Social Impacts of Fisheries Subsidy Programs
- Impacts of Subsidized Fishing on Poor and Vulnerable Countries and Populations
- Economic Effects of Fisheries Subsidies
- Subsidies and Fisheries Management
What is a Subsidy?

Since this study concerns subsidies to a particular sector, it is important to understand what the term means.

Subsidies comprise a broad range of programs. They can take many forms but typically involve direct government assistance that raises a producer’s income or government assistance to the private sector (which may come in the form of government action or inaction) to intentionally lower the price of consumer goods or services.¹

There are many common names for subsidies: support programs, government support, state aid, financial support/payment, economic assistance, government financial transfers, general services, cost-reducing transfers, and direct payments.²

The 1994 World Trade Organization Agreement on Subsidies and Countervailing Measures (ASCM) established the subsidy definition used in international trade dispute resolution. “The definition contains three basic elements: (i) a financial contribution (ii) by a government or any public body within the territory of a Member (iii) which confers a benefit. All three of these elements must be satisfied in order for a subsidy to exist.”³

Fisheries subsidies are subsidies that are provided for the fishing sector.
This section briefly explains some key concepts in fisheries science and economics. It then explains how fisheries subsidies function to create incentives that cause overfishing.

The definition of fishing capacity is essentially the ability of a vessel or a fleet to catch fish. Specifically, it is the maximum amount of fish (given the biomass and age structure of the fish stock) that can be caught by a fishing vessel or fleet that fully utilizes its vessels, engines, and equipment (its capital stock).

Maximum economic yield (MEY) is the optimum level of yield where the level of catch maximizes the difference between fleet costs and revenues over time (see figure 1.1).

Maximum sustainable yield (MSY) is a key concept in fisheries management. MSY is the largest average catch that the fishery can theoretically take from a species’ population over an indefinite period under constant environmental conditions, because MSY is the highest amount of catch that can be replaced through reproduction in the fish population. Overcapacity is determined by comparing the actual capacity with the level of capacity needed to produce MEY or MSY, depending on the management goal (see figure 1.1). If capacity exceeds that needed to catch the target yield, then the fishery is over its capacity. Overcapacity leads to (biological or economic) overfishing.

Figure 1.1: Gordon Schaefer bioeconomic model, Gordon (1954)
The common definition for overfishing, with reference to MSY, is fishing at a rate higher than is consistent with MSY. When a stock is overfished, it means that the stock is at a size that when fished at the maximum sustainable rate determined for that fishery, is too small to produce the maximum sustainable yield.

Fisheries subsidies contribute to overcapacity and overfishing in two major ways. First, subsidies that reduce the cost of fisheries operations provide an incentive for fishers to increase their catch and profit by stimulating greater effort and compounding resource overexploitation problems. Second, revenue-enhancing subsidies make fishing enterprises far more profitable even when fishery resources are in decline.

In an unregulated open access fishery (when cost is assumed to be proportional to effort), fishing effort will naturally continue to increase past maximum sustainable yield even though revenues per unit of effort are declining. Eventually, increasing effort and cost meet with the declining revenue, reaching a point when revenue equals costs, called the “bionomic equilibrium” (BE). See figure 1.1. At BE, profits and resource rents are consumed by costs and fishing is no longer profitable.

In figure 1.2, the schematic represents the effect of cost-reducing, capacity-enhancing subsidies on fishing effort. The aggregate impact of these subsidies that enhance overcapacity and overfishing through increased revenues or profits is to further stimulate effort and push the fishery beyond the old BE, where it would otherwise see a complete dissipation of economic rent. Therefore, capacity-enhancing subsidies counter the natural economic incentive to stop fishing. The next section explains what constitutes a capacity-enhancing subsidy.

Figure 1.2: Schematic representation of the effect of cost-reducing subsidies on fishing effort, inducing overfishing. Subsidies that lower cost from TC1 to TC2, will simultaneously lower the bionomic equilibrium from BE1 to BE2, thus encouraging the growth of fishing effort from E3 to E4, beyond the initial point of bionomic equilibrium.
There are varieties of government programs that are considered fisheries subsidies. To better understand and analyze these programs, there are different categories based on various schemes.

The literature contains three significant schemes for classifying fisheries subsidies created by the 1) U.N. Food and Agriculture Organization (FAO), 2) Organisation for Economic Co-operation and Development (OECD), and 3) University of British Columbia (UBC). The varied schemes are useful because their respective institutions have used them for studies on the subject matter, upon which this report draws.

The FAO divides subsidies into four broad categories based on the form of the subsidy:

1. **Direct payments to the fishing industry**
   These subsidies are direct payments from the government to fishers and they include programs like grants to purchase vessels or for modernization, grants for safety equipment, vessel decommissioning programs, income support, price support, and disaster relief.

2. **Service and indirect financial transfers**
   These are other explicit government interventions that do not involve a direct payment to the fisher. These subsidies take the form of government loans on favorable terms, loan guarantees, special insurance schemes for vessel and gear, provision of bait services, fuel tax exemptions, export promotion, foreign access agreements, and other programs.

3. **Regulations**
   These are government regulatory interventions into the fishing sector. They are difficult to identify but include actions like import quotas, direct foreign investment restrictions, environmental protection programs, gear regulations, chemical and drug regulations, and fisheries management.

4. **Lack of government intervention**
   This comprises inaction on behalf of the government that allows producers to impose the costs of production onto others.

The OECD has its own nomenclature for subsidies, which it refers to as “government financial transfers.” In terms of fisheries, government financial transfers are defined as the value of government interventions associated with fisheries policies. The classification of government financial transfers is based on the objective of the subsidy program.

- **Management, research, and enforcement**
  These include government expenditures in these three areas, as well as expenditures for information collection and analysis, dissemination of fisheries information, community-based management, international fisheries cooperation, and the protection of marine areas.
• Fisheries infrastructure
  These are generally programs that include payments for harbor construction, port dredging, fish restocking, improvements in the infrastructure of fisheries communities, and improvements of landing installations and equipment. These programs may also include the provision of harbor facilities and processing facilities, and moorage provided free or at low rates for fishing fleets.

• Access to other countries’ waters
  This includes government-to-government payments for the right for a country’s fishing fleet to operate in another country’s exclusive economic zone. 18

• Decommissioning of vessels and license retirement
  These include payments made to fishers for the removal of vessels and licenses from a fishery, including buyouts of quotas and catch history.

• Income support and unemployment insurance
  These include income support such as grants for the temporary withdrawal of vessels, payments for disaster relief and reduced seasons, retirement and retraining payments, and unemployment insurance.

• Other cost-reducing transfers and direct payments
  These include taxation exemptions, loan guarantees, low interest loans, underwriting of insurance costs, bait subsidies, and income tax deductions for fishers.

Researchers at UBC use the categories above, and take additional steps to categorize the subsidy based on its potential impact or effects on the sustainability of the fishery resource. 19 The researchers discuss fishery resources as natural capital, i.e. an asset capable of yielding a stream of economic benefits to society over time. 20 They divide fisheries subsidies into three broad categories: 1) subsidies that invest in natural capital (beneficial subsidies), 2) subsidies that disinvest in natural capital (capacity-enhancing subsidies), and 3) subsidies of uncertain effect (ambiguous subsidies). 21

Fisheries are a renewable resource and as a natural capital asset can be invested in. 22 Some subsidies are like investments, and enhance the growth of fish stocks through conservation. 23 These subsidies also lead to the use of natural capital assets at a social optimum, which is the maximum allocation of natural resources to society by maximizing economic rent. 24 UBC categorizes these subsidies as “beneficial” subsidies.

Similarly, one can engage in disinvestment in the natural resource, such as by biological and economic overfishing, an activity that takes the fishery resource away from its optimal use. 25 Disinvestment occurs when fishing capacity increases to a point where overexploitation makes it impossible to achieve maximum sustainable long-term benefits. 26 Excessive disinvestment can lead to outright destruction of the natural resource. 27 UBC categorizes subsidies whose impact disinvests from the natural capital of fisheries as “capacity-enhancing” subsidies. 28

“Ambiguous” subsidies have the potential to result in either an investment or disinvestment in the resource. 29
UBC categorized the 12 most common types of programs into the three broad classes of subsidies.

The following programs are beneficial subsidies:30

- Fisheries management and services, which ensure the appropriate management and enforcement of regulations for publicly-owned fisheries resources

  These include the following:31
  a) monitoring, control and surveillance programs
  b) stock assessment and resource surveys
  c) fishery habitat enhancement programs
  d) implementation and maintenance of marine protected areas (MPAs)
  e) stock enhancement programs

- Fisheries research and development, which enhance the fishery resource base through scientific and technological breakthroughs

  These include the following:31
  a) fishery frame surveys32
  b) oceanographic studies
  c) fishery socio-economic studies
  d) fishery planning and implementation
  e) fishery information systems
  f) database and statistical bulletins supportive of fishery management plans
  g) MPAs and reserves

Capacity-enhancing subsidies include all forms of support (capital inputs and infrastructure investments) from public sources that reduce cost or enhance revenue except for the forms of support discussed above. These include the following types of programs:33

- Fuel subsidies
  These subsidies are money transfers (in various forms) resulting in a difference between the price per liter of fuel paid by fishers and the national price applied to fuel purchases for other uses in a given economy.34

- Boat construction, renewal, and modernization programs
  These include advantageous lending programs, such as loan guarantees and restructuring, for vessel construction, renewal, and modernization. This subsidy type also includes programs to enhance fishing technology.
• **Marketing support, processing and storage infrastructure programs**
  These programs support market interventions such as export promotion, value addition, and price support. They also include infrastructure investment programs from public funds for processing and storage of fishery products and fish auction facilities.

• **Fishery development projects and support services**
  These include programs for fisheries enterprise development, including the provision of bait. They also include search and rescue programs. The nature and sources for such support programs are diverse and include development grants from national sources and through bilateral and multilateral assistance programs.

• **Tax exemptions for investment in the fisheries sector that have a direct impact on profits**
  These include rebates and other government-funded insurance programs such as:
  a) income tax deferral for fishers
  b) support for crew insurance
  c) duty-free imports of fishing inputs
  d) vessel insurance programs
  e) other economic incentive programs

• **Foreign access agreements**
  These include one or a combination of the following:
  a) explicit monetary transfer
  b) transfer of fishing technology
  c) provision of market access in another fishing country

*Ambiguous subsidies* are programs that have mixed effects and include the following:

• **Fisher assistance programs**
  These include payments to fishers to stop fishing temporarily or to ensure income during bad times. In addition, when there is a lack of alternative employment opportunities in areas where fishing is the primary economic activity, governments may provide subsidies. These programs include income support, unemployment insurance, worker adjustment programs, fisher retraining, and other direct payments to fishers. Fisher assistance programs can have mixed results.

• **Vessel buyback programs and fishing capacity reduction programs, such as permit buybacks and license retirements**
  These subsidies reduce fishing pressure and foster resource management goals, but there are serious questions about their effectiveness.
• **Fishing port construction and renovation programs**
  These include public funds towards port improvements for fishing fleets, harbor maintenance, jetty and landing facilities, and low or free moorage for fishing fleets.\(^{41}\)

• **Rural fishers' community development programs**
  These programs target rural fisher development with an overall objective of poverty alleviation and food sufficiency. Despite such development policy objectives, projects concentrated on enhancing productive capacity in developing countries can contribute to overcapacity and have had poor rates of management success.\(^{42}\)
Uses of Subsidies

There are several rationales for fisheries sector subsidization. The main purpose of subsidies is to reallocate resources and alter economic activity and behavior to achieve an outcome that is “more desirable” from what would otherwise occur. The following are some of the key purposes for subsidy programs.

Infant Industry

One of the oldest uses is for developing an “infant industry.” A government may seek to develop a relatively small-scale domestic industry and make it more competitive in the international marketplace by providing capital to the industry, thereby encouraging its growth. Government subsidies that target industry-specific infrastructure are an example of an infant industry strategy. This kind of assistance may be optimal when it is temporary and leads to the maturing of the industry to a point where it is viable without intervention. However, the tendency is to continue the subsidy long after it is necessary or should have been necessary.

Failing Industry

Some subsidies try to isolate the harm of difficult economic conditions. For example, consider a large and economically important industry experiencing temporary financial difficulties. These difficulties may be so severe that they could result in the industry ceasing operations, which would lead to widespread harm and unemployment. Given the implications of the failing industry, the government has at least three different options:

1) it could not take action and accept the industry’s failure,
2) it could infuse the industry with varied forms of subsidies, or
3) it could let the firm go bankrupt but intervene through the monetary system to prevent the bankruptcy of the firm from affecting other industries.

Environmental Objectives

Sometimes, subsidies are given to provide incentives for industries to behave in environmentally friendly ways. For example, the FAO argues that fishing vessel and license buyback programs fall into this category, because they are designed to decrease fishing effort and address overfishing.

Social Policy

Governments may provide subsidies as a social policy tool. The objective may be to alleviate poverty and aid marginalized people. Fishing communities sometimes face this type of situation.
Vietnam’s subsidies are much smaller in value than those of many other fishing countries. However, some of Vietnam’s programs have had negative implications for sustainability, damaging its fishery resources and fishing communities.

Subsidy policies on fuel and vessel renewal have focused on increasing production. The Vietnamese government has also actively pursued offshore fisheries development initiatives. In an attempt to incentivize fishing further from the coast, the government instituted tax credits and loans at preferential terms and rates for offshore fishing.

Due to the high cost of finding fish offshore and inadequate enforcement, some of the offshore vessels have gone back to the coastal areas to fish alongside the nearshore vessels, increasing overall effort and depleting fish populations.

Typically, governments envision subsidies as temporary policy options. However, the temporary character is often set aside as industry recipients become dependent on government assistance.

For a time during the latter half of the twentieth century, Norway's General Agreement program provided price subsidies for fish when export prices fell below a certain level. These price subsidies accounted for half of the subsidies distributed by the state. The subsidies provided the incentive for vessels to increase fishing effort and catch more fish in order to keep prices low to trigger the subsidy.

The dependence by fishermen on subsidies was so widespread that in the late 1960's when Norway's herring fishery collapsed, the availability of subsidies largely masked the impacts.

In 1981, Norwegian subsidies peaked at $USD 227 million. However, continued resource crises, low profitability, and excess capacity led to government reforms that required the fisheries sector to be more self-reliant. Between 1981 and 1994, Norway gradually reduced its fisheries subsidies.

Since then, the Norwegian fisheries sector has seen an increase in profitability and in many ways is healthier than it was at the height of subsidies, demonstrating that it is possible to significantly reduce subsidies while effectively maintaining an industry.

Market Advantage

Subsidies may be provided to an industry to assure its continued advantage in the marketplace, to assure some level of employment in that sector or in a specific geographic area (e.g. subsidies to support coastal communities), and/or to maintain a culture and community linked to the industry.51

When comparing the aims of instituting subsidies with their actual effects, the use of subsidies becomes questionable for two reasons. First, some input subsidies justified by social policy tend to avoid larger, more fundamental economic and political challenges like diversifying economic opportunities in fishing communities.52 Usually instituted as a short-term policy of market intervention, subsidies tend to become entrenched at a high cost to society.53 Furthermore, this attempt to distribute benefits can actually confer more to the wealthier vessel owners than to the vessel crew or consumer.54

Another questionable outcome from instituting subsidies is when the program fails or has an opposite effect than desired. Even some programs suggested by the FAO as environmentally positive may suggest negative conditions and have negative impacts.

For example, one can reasonably assume that a fishery has already reached overcapacity given the presence of subsidy programs for decommissioning/buybacks of vessels or quotas, license retirement subsidies, and unemployment compensation.55 While these programs may aim to decrease participation, they may still result in overcapacity and overfishing.56 Typically, decommissioning and buyback programs only remove marginal fishing operations, and the remaining fleet may upgrade (adding to capacity). Furthermore, if the buybacks are anticipated, it can motivate fishermen to acquire more capacity even if the return on the investment is low.57
Estimating the Magnitude of Fisheries Subsidies

Estimating the magnitude of fisheries subsidies on a global scale is difficult, limited by the research on this topic. Such limitations are often the result of the accuracy or availability of data from government official records, non-governmental organizations, and multilateral organizations and intergovernmental organizations, such as the World Trade Organization (WTO), Organisation for Economic Co-operation and Development (OECD), and Asia-Pacific Economic Cooperation (APEC). 58

The WTO receives its data from its member countries through notifications on actionable subsidies under the ASCM, but these submissions frequently lack information on the amounts of the subsidies reported. The data often does not reflect the true nature of the subsidies provided nor are the values corroborated and updated. 59

Intergovernmental organizations, such as OECD and APEC, catalog and analyze the fisheries policies and provision of fisheries subsidies of their member countries. 60,61 However, the data is self-reported and at the discretion of the member country to release, and can be vague and not accurate. In the past, these datasets have demonstrated discrepancies when compared to the WTO and each other. 62

In order to improve the accuracy of estimates, researchers at the University of British Columbia (UBC) Fisheries Centre have approached the problem of quantifying the magnitude of fisheries subsidies by investigating numerous and diverse sources. 63 In A Bottom-Up Re-estimation of Global Fisheries Subsidies, UBC contacted hundreds of government representatives from around the world, including WTO negotiators and U.N. representatives. 64

Despite receiving valuable input from representatives in at least 35 nations, UBC sometimes is left with empty datasets in their accounting of subsidies. As a result, they developed methods to estimate the values for missing data. 65 The communication between researchers and policymakers has also improved the quality of the information. Often countries will contribute to the study in order to correct shortcomings they find in the data.

The Sea Around Us project and the European Union Transparency (Fish Subsidy) project are also two online databases that regularly produce and update reports, studies, and materials that synthesize the available information on fisheries subsidies for public use. 66
GLOBAL FISHERIES SUBSIDIES ESTIMATES

Global fisheries subsidies are estimated at $USD 35 billion. This figure represents approximately 30 percent of the value of the world catch, which is approximately $USD 102 billion to $USD 109 billion.

Capacity-enhancing programs dominate in both developed and developing countries. These programs are estimated at $USD 20 billion, an amount equivalent to 20 percent of the global catch value.

Beneficial subsidies amount to an estimated $USD 11 billion.

Figure 1.3: Global Fisheries Subsidy Estimates by Categories

For comparison, subsidy intensity in the fishing sector is greater than that of the agriculture sector. Estimates by the OECD of agricultural subsidies from the 47 countries that account for 80 percent of the world’s agriculture production are equivalent to approximately 17 percent of gross farm receipts.

Developed countries provide approximately two-thirds of the world’s total fisheries subsidies and a proportional amount of all capacity-enhancing subsidies. However, the developing world is quickly catching up to the levels of their industrialized counterparts. China, Russia, and Indonesia are among the world’s top six subsidizing countries. Countries such as the Federated States of Micronesia, Philippines, Brazil, and Vietnam provide as much as, if not more, subsidies to their fishing sector as developed countries like France, Spain, Germany, and Italy. See figures 1.6 and 1.7.
Figure 1.4: Subsidies Provided by Developed vs. Developing Countries

- Subsidies provided by developing countries (35%)
- Subsidies provided by developed countries (65%)

Source: Sumaila et al. (2013)

Figure 1.5: Subsidy Estimates of Top Fishing Nations

- Beneficial
- Capacity-Enhancing
- Ambiguous

Source: Adapted from FAO (1992), Milazzo (1998), Sumaila and Pauly (2006), and Sumaila et al. (2010), Sumaila et al. (2013).
This chart shows that the magnitude of subsidies from some developing countries are approaching that of developed countries (compare with figure 1.7). It also shows that capacity-enhancing subsidies account for the greatest amount of subsidies in developing countries except for Brazil and Myanmar.
China is included in this chart because its fishing level is consistent with developed countries. China provides an estimated $USD 4.5 billion in subsidies, a vast majority of which are for capacity-enhancing programs.

Source: Adapted from FAO (1992), Milazzo (1998), Sumaila and Pauly (2006), and Sumaila et al. (2010), Sumaila et al. (2013).
**ESTIMATES OF SUBSIDIES BY TYPE OF PROGRAM**

Fuel subsidies are the largest type of subsidy program by value, making up 22 percent of the total amount or $USD 7.7 billion. Other significant subsidy programs include management (20 percent of total, $USD 7 billion) and ports and harbor infrastructure (10 percent of total, $USD 3.5 billion).

The graphical representation below illustrates the magnitude of subsidies as distributed among the different types of subsidy programs.

*Figure 1.9: Subsidy Estimates by Type of Program*

Source: Adapted from FAO (1992), Milazzo (1998), Sumaila and Pauly (2006), and Sumaila et al. (2010), Sumaila et al. (2013).
Fuel subsidies are a category of capacity-enhancing subsidies that deserve particular attention, because they are the greatest subsidy and cause the most environmental damage.

Fuel subsidies make it possible to fish farther, longer, and harder than would otherwise be economically possible and biologically sustainable. Fuel subsidies decrease the cost of a major input of fishing, thereby insulating fisheries from market forces that would inherently limit effort. In a system without fuel subsidies, increasing fuel prices would reduce participation in fishing, because it would reduce profits, thereby driving marginal fishers out of fishing. Instead, fuel subsidies create perverse incentives for continued fishing in the face of declining profitability and catches.

Fuel subsidies are pervasive and among the most harmful types of programs. Fuel subsidies have direct impacts on fisheries economics and fishing communities as well as the marine environment. As shown in figure 1.9, fuel subsidies are the largest category of fishery subsidy, accounting for 22 percent of the total amount of global fisheries subsidies.

Fishing is a fuel intensive activity. Global fleets consume on average about one-half of a metric ton of fuel (620 liters) for every metric ton of catch landed. Deep-sea trawling on average consumes more than .84 metric tons of fuel (1000 liters) per metric ton of catch. Fisheries targeting high value species like shrimp, tuna or swordfish frequently consume in excess of about 1.68 metric tons of fuel (2000 liters) per metric ton of catch.

FUEL SUBSIDIES AND DEEP-SEA TRAWLING

High-seas bottom trawling fisheries are especially environmentally damaging. Deep-sea demersal species are particularly vulnerable to exploitation because of their high biomass, low growth rates, and long life spans, making it more profitable for fishermen to mine the species in a short and intense period.

Trawls can also permanently modify the seabed and alter the ecosystem for creatures living in the water column. This fishing practice is so destructive that the United Nations has called for it to be severely restricted.

Yet high-seas bottom trawling fleets contribute little to global catch. The total landed value of high-seas bottom trawl fleets is at most 3 percent of the total landed value for any individual country and 1 percent of total global marine catch. Furthermore, the fleets are highly dependent on fuel subsidies. Half of the government support given to the high-seas bottom trawl fleets is in the form of fuel subsidies, which total about $USD 152 million a year.

Without their significant subsidies, the world’s high-seas bottom trawling fleets would not be profitable. The reported profits of the high-seas bottom trawling fleets are no more than 10 percent, but subsidies to these same fleets amount to 15 percent of their total landed value. These fleets would be operating at a loss without subsidies.
Illegal, unreported, and unregulated (IUU) fishing contributes to the overfishing of valuable fish stocks. IUU fishing undermines conservation and management efforts, compromises social and economic opportunities, and threatens food security. IUU fishing can lead to fishery collapse and “seriously impairs efforts to rebuild depleted fish stocks.”

**Illegal** fishing occurs when vessels operate in violation of the laws of a fishery.

**Unreported** fishing refers to fishing without reporting or with the misreporting of information to the relevant national authority or regional organization.

**Unregulated** fishing occurs when the vessels are without nationality, or vessels are flying the flag of a country not party to the regional organization governing the fishing area or species. It also refers to fishing activities where there are no applicable conservation or management measures.

The estimated IUU catch worldwide is between 11 million to 26 million tons per year, worth between USD $10 million to $23.5 billion. Recent reports estimate that 20 to 30 percent of the wild-caught marine imports into the United States by weight, were from illegal and unreported catches, with a value between USD $1.3 billion and $2.1 billion.

Illicit catches undermine market prices for legitimate seafood products. In addition, because the catch is unreported, it causes inaccuracies in catch statistics, which has resulted in the depletion of numerous fish stocks. IUU fishing also has links to other illegal activities such as the trafficking of drugs, people, and weapons.

Developing countries are markedly vulnerable to IUU fishing. In some regions, such as West Africa, unreported catches account for as much as 49 percent of the total yearly catch. Poor management and inadequate regulations, surveillance, and enforcement in these countries are partially to blame. However, reports also link foreign access agreements as contributing to the prevalence of IUU fishing.

As with subsidies, there is limited transparency and information about IUU fishing. However, subsidies, among other factors, can create economic incentives that encourage IUU fishing.
The following are some examples that illustrate the linkages between subsidies and IUU fishing. It should be noted that these examples are disproportionately representative of countries with greater transparency.

- Between 1994 and 2006, 75 Spanish and French vessels engaged in IUU fishing. In total, these vessels received $USD 28 million in subsidies. In 14 cases, the vessels received the subsidies after their IUU infractions.

- Following the decision by the European Union (EU) to ban drift nets, approximately 700 Italian vessels received more than € 100 million in EU funds between 1999 and 2002 to return their drift net fishing licenses and reconvert to other gear. A number of these vessels received the conversion aid but kept fishing with drift nets while still receiving more subsidies from the EU.

- Authorities charged the Spanish vessels Albacora Uno and Txori Argi with illegal fishing in the distant waters of the northern Pacific and Indian Ocean (respectively). Both vessels received significant subsidies, including € 3.7 million to the Albacora Uno and € 4.6 million to the Txori Argi.

- Twenty-eight vessels involved in the EU-Argentina Fisheries Agreement received a total of € 72.7 million to fish for Patagonian toothfish, commonly referred to as Chilean Sea Bass, in the South Atlantic Ocean. An additional € 24 million was allocated to provide access for vessels to fish in Argentinean waters. Two of the vessels funded by the EU were caught fishing illegally.

- The best-documented illegal fishing in the world occurs in the Barents Sea. According to estimates presented by the Norwegian Coast Guard and International Council for the Exploration of the Seas (ICES), between 100,000 and 166,000 tons of cod are fished illegally in the Barents Sea annually, representing up to 40 percent of the Russian catch.
Fisheries subsidies, like subsidies to other industries, are often the product of political forces.

Frequently, governments provide subsidies to address immediate problems, such as unemployment or poverty, without particular concern for sustaining or enhancing the long-term socioeconomic welfare of communities and individuals. Instead, fisheries subsidies can weaken communities by making them dependent on government support, distorting wealth distribution, and decreasing the community’s ability to absorb natural or human disruptions.

Analyzing social impacts means quantifying the relative impacts on social capital. Social capital is an expansive term for the connections among individuals and the norms of reciprocity and trustworthiness that arise from them. For example, an increase in social capital in fishing communities may result in improved management, increased compliance, and reduced enforcement costs by providing a more meaningful role in decision-making to stakeholders.

Different types of subsidies programs cause different social impacts. The manner in which people experience the effects of fisheries subsidies vary according to the expectations and incentives created by the program. The following sections describe various fisheries subsidies programs and their potential social effects and consequences.

Management, Research, and Enforcement

Subsidies for fisheries management, research, and enforcement have mostly positive social impacts. If the fishing community has a role in resource management and decision-making, there is a potential to increase social capital. While this type of subsidy may have a greater upfront cost to the government, greater involvement of the community can contribute to greater compliance with regulations and reduced cost of enforcement.

Infrastructure

The social impacts of subsidies for fisheries infrastructure are more subtle and long-term. These types of subsidies can reduce costs to fishermen, including harbor fees or collective provision for infrastructure development projects. Defraying fisheries infrastructure costs can distort the relative costs to the sector, leading the industry to develop false expectations about the potential profits from fishing. These expectations can reduce community resilience to respond to external economic and environmental challenges as well as establish industry pressure on the government to continue this type of support.
Fish is the main source of protein for many countries in West Africa. As an example, Senegal depends on fisheries for the majority of its animal protein, for many of the jobs in its coastal communities, and as a valuable export product. However, the government’s domestic capital and operating cost subsidies have become problematic in a way that many developing countries also experience.

Senegal’s export promotion through subsidization has resulted in overcapacity and overfishing. The Senegalese government provided major subsidies for new fishing gear and fuel with the prospect of better profits in export markets. This attracted many newcomers to the sector and magnified fishing effort despite limited stocks. At the same time, foreign access agreements granted by Senegal brought in European fishing fleets that targeted the same species and exported high quantities of these fish back to Europe.

The heavy emphasis on fish exports has had negative consequences on Senegalese food security. There is now a decrease in the availability of fish in the domestic market and a rise in prices, which in turn has resulted in a decrease in the purchasing power of local households, the majority of which already live below the poverty line.

Foreign Access Agreements

The social impacts of government payments for access to other countries’ waters differ between the distant water fishing country and the host country. The impacts also significantly vary depending on the particular countries involved in the agreement. There is an ongoing complex debate concerning the social impacts involved in these programs.

For the distant water fishing country, the social impact may be generally positive with increased incomes and employment. However, it may be the case that the access agreement is in response to excess capacity and declining fishing opportunities in the country’s own waters. Access agreements may also delay necessary adjustments and reductions in the country’s domestic fishing sector. 109

For the host country, the potential social impacts are mixed. Access agreements can create an exchange for the host country with foreign markets that they otherwise may not have access, and potentially lead to economic development. The fees that the host country imposes on the distant fleet may increase revenue to nationwide coffers. Regional income and employment opportunities may increase if the foreign fleets employ local fishers and/or process the fishery products within the region. 110

However, there is considerable potential for negative effects. The foreign fishing fleet may displace domestic fishermen resulting in reduced incomes, employment rates, and social capital. When confronted with foreign competition, domestic fishermen may not achieve the same economic benefits from fishing. The central government may also distribute the revenue from the access fees in such a way that the domestic fishing sector experiences little benefit. 111

Decommissioning Programs

Vessel decommissioning schemes and license retirements provide a means for individuals to leave the fishing sector with a return on their investment. In a fisheries crisis scenario where the government acts to lessen pressure on fish stocks by decreasing capacity, vessels or licenses lose their value, and it may not be possible for fishers to cash out. In such a situation, the government may intervene to purchase the fishermen’s assets, allowing them to either relocate or retrain for other opportunities. 112

However, decommissioning subsidies without other measures to ensure economic diversification may lead to the expectation of future assistance and the dependence of the fishing industry on subsidies. Furthermore, communities become less resilient to the challenges that inspired the program if government payments become expected and incentives to financially diversify decrease. 113

Vessel Construction and Modernization

The social effects of subsidies for vessel construction and modernization are potentially significant. These subsidies can increase incomes regionally if vessel construction takes place in local shipyards. However, by reducing the capital costs of operations, these subsidies inflate the incomes of fishermen and their communities. This income inflation reduces community resilience to economic and environmental changes by increasing dependence on government support. 114
In 1977, Canada declared an Exclusive Economic Zone (EEZ) to the 200 nautical mile limit off Newfoundland. Canada began massive subsidization of its industries to build up offshore fishing and processing capacity.

Fish plants in every bay and cove created a huge industrial infrastructure along thousands of kilometers of coastline. However, most of these facilities only worked for a portion of the year. By the 1990’s, the Canadian government was spending three dollars on fisheries for every one dollar those fisheries earned.

This increase in capacity created political pressure from the Canadian cod fleet for high quotas, a demand repeatedly met by the federal Department of Fisheries and Oceans (DFO). However, while the new offshore Canadian fishery was prospering, nearshore fishermen found their catches dropping off. They suspected the reason was that the offshore industrial trawlers were taking so many cod that the fish did not have a chance to migrate inshore to spawn. The nearshore fishermen complained to the DFO, but the government’s political priority was to make its investment in offshore fishing a success story.

The high quotas drove fishing at unsustainable rates and ultimately the fish stocks collapsed. Under great protest, Canada introduced a moratorium for cod in 1992. After two decades, the Canadian Atlantic cod fishery has only seen some small improvements. Meanwhile, thousands of fishermen and their coastal communities have experienced long-term economic hardships and dependence on government support.

1 Rose, Alex. 2008. Who killed the Grand Banks?: the untold story behind the decimation of one of the world’s greatest natural resources. Mississauga, Ont: J. Wiley & Sons Canada.
3 Rose, 2008.
6 Kurlansky, 1997, at 182.
7 Rose, 2008 at 174.
**Income Support and Unemployment Assistance**

Income support and unemployment programs stem from social policy objectives such as maintaining employment or ensuring minimum levels of income to fishermen. However, the extent to which these programs achieve their objectives is questionable.

In the short-term, employment is increased. However, it may lead to levels of participation in the fishing sector that may not be sustainable given the status of available stocks.115

The experience of the Canadian cod fishing industry suggests that such programs can often work to inhibit adjustment away from unsustainable levels of fishing, and may increase community dependence on government support. In turn, this dependence may reduce community resilience to economic and environmental changes. Income support may also inhibit fishermen from leaving the sector and decrease the possibility of achieving economic diversity in fishery-dependent regions.116
The stagnation of global marine catch and the decline of fish populations, combined with the continued subsidization of fishing activities, have negative implications on poor and vulnerable populations. Impacts of Subsidized Fishing on poor and Vulnerable Countries and Populations

High levels of worldwide subsidies, mostly by industrialized countries, have produced a higher supply of fish and lower prices than would naturally occur in the international market. These lowered prices reduce the potential export earnings for developing countries. In addition, the provision of subsidies by industrialized countries and larger developed countries creates an uneven global playing field and prevents smaller countries from being able to compete.

In many countries, small-scale fishers not only make significant contributions to local economies, but also generate foreign exchange income at the national level. Fisheries workers from developing countries account for about 78 percent of the world's 260 million global fisheries workers (including direct harvest or indirect post-harvest, processing and marketing).

Fishing and fishing-related activities are also a source of livelihood and empowerment for women. Women make up half of all those employed in the fisheries sector. Women comprise 90 percent of the global fisheries labor force in secondary activities including processing and marketing. Women's subsistence fishing is also a source of protein and nutrition for poor families.

However, for some communities, fisheries have become a growing poverty trap. Increased investment and fishing effort in already overstressed fisheries is leading to economic losses and dependency on government subsidies. In the absence of alternative employment, fisheries work often becomes a last resort.

**Figure 1.10: Marine fisheries employment (thousands of jobs) worldwide.**

<table>
<thead>
<tr>
<th>Region</th>
<th>Direct</th>
<th>Indirect</th>
<th>Total Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>European Union</td>
<td>800 +/- 71</td>
<td>1700 +/- 160</td>
<td>2500 +/- 230</td>
</tr>
<tr>
<td>Asia</td>
<td>40000 +/- 3100</td>
<td>190000 +/- 15000</td>
<td>230000 +/- 18000</td>
</tr>
<tr>
<td>Africa</td>
<td>3000 +/- 150</td>
<td>14000 +/- 770</td>
<td>18000 +/- 910</td>
</tr>
<tr>
<td>South America</td>
<td>1700 +/- 330</td>
<td>3900 +/- 400</td>
<td>5600 +/- 710</td>
</tr>
<tr>
<td>Oceania</td>
<td>710 +/- 120</td>
<td>160 +/- 20</td>
<td>870 +/- 130</td>
</tr>
<tr>
<td>North &amp; Central America</td>
<td>3000 +/- 230</td>
<td>2300 +/- 170</td>
<td>5400 +/- 400</td>
</tr>
</tbody>
</table>

Source: Teh and Sumaila (2013).
FOREIGN FISHERIES AGREEMENTS AND WEST AFRICA

The European Union¹, China, Russia, and other countries pay for their fleets to access the exclusive economic zones (EEZ) of West African countries to fish.² The increased exploitation by foreign fleets has led fish stocks to collapse in many regions. Locally, the influxes of large foreign vessels are effectively out-competing small fishermen for the remaining fish.³

Fish populations off the west coast of Africa have declined by 50 percent since 1945. In Senegal, this decline is causing conflict between artisanal fishermen and the foreign vessels from countries with access agreements to Senegal’s EEZ. The access agreements specify that only artisanal fishermen can fish within 6 miles of the shore, but the visiting fleets routinely break this rule. In addition, there is also a great deal of underreporting of actual catch. The European fleet declares catches of approximately 13,000 tons a year in this area, but recent reports show that catches are closer to 88,000 to 110,000 tons a year, up to eight times the declared total.⁴

Reports suggest that diminished employment opportunities in fishing and coastal economies in Africa have increased the number of illegal migrants traveling to Europe.⁵ The migration can be very costly, driving some people to sell their livelihood in order to pay for their voyage. There is also the real prospect of government authorities intercepting their voyage and returning passengers to their countries of origin.⁶ If migrants successfully arrive in a European country, they often face uncertain employment opportunities and hostile social environments.

These trips are also very dangerous. In 2007, the United Nations estimated that about 31,000 Africans tried to reach the Canary Islands, a common entry point to Europe. About 6,000 migrants died or disappeared,⁷ many of which were fishermen or from fishing communities.⁸

¹ The European Union covers 75 percent of the access fees that allow its vessels to fish in developing countries’ waters according to the Seas Around Us Project. Le Manach 2013.
³ Lafraniere 2008.
⁵ Lafraniere 2008.
⁶ Lafraniere 2008. (“Niadye Diouf, 28, whose Senegalese family sold their pirogue for $500 to pay for an illegal — and ultimately unsuccessful — voyage to Spain.”)
⁷ Lafraniere 2008.
Economic Effects of Fisheries Subsidies

Subsidies can distort the efficient allocation of resources and the pattern of international trade. Subsidies enhance the exportability of products to an importing country, enhance the exports of the subsidizing country to a third country (thereby adversely affecting the export of another country), and restrict imports into the subsidizing country.

In the current state, global fisheries operate with a loss of an estimated $USD 50 billion in net benefits (base year 2004). The estimated real cumulative global loss of wealth over the past three decades is $USD 2.2 trillion. The global fishing fleet is already up to 250 percent larger than is needed to catch what the ocean can sustainably produce. Fisheries subsidies are a contributing factor to these global conditions because of their market-distorting effects, inefficiencies, and threats to sustainability.

Subsidies also adversely affect employment. Capacity-enhancing fisheries subsidies can lead to greater participation in fisheries and inflate employment as compared to a sector absent such subsidies. Entrenched expectations of ongoing government support in the decision-making processes of fishers and their communities insulate the sector from necessary adjustments, further reducing the incentive to diversify economic activities. Politicians often avoid withdrawing fisheries subsidies fearing the potential issues that may result from a glut of specialized labor that may not have the work skills to enter other sectors of the economy.
An example of the negative economic impacts of fisheries subsidies is the current state of the tuna trade. In the Pacific tuna fisheries, developing countries with limited subsidies, such as Ecuador, stand at a competitive disadvantage because they compete with some of the largest fisheries subsidizers in the world.

When countries provide subsidies that reduce the cost of operations, their fishing effort increases. This results in greater participation, larger catches, increased supply, and reduced international prices.

As a result, the advantage in the trade of tuna shifts to the countries that can subsidize and provide tuna at lower costs. This decreases the tuna export earnings for countries, like Ecuador, who have less ability to provide subsidies but would likely prevail in the market absent such subsidies.

Subsidies and Fisheries Management

There is a heated debate about the relationship between subsidies and fisheries management. The scope of the issue is broader than the scope of this report.

Many fisheries economists argue that a rights-based management system, which gives fishers ownership in the resource, is the only or best way to align economic incentives with sustainability and achieve sustainably managed fisheries. Some economists have further argued that a rights-based system is virtually resistant to the distorting effects of subsidies.

However, there are concerns with this view. While fisheries management is an important element for ensuring the sustainability of stocks and is essential to prevent overfishing, it is not sufficient alone to address harmful fisheries subsidies. Some of the literature that supposes that management alone is sufficient assumes ideal implementation with no political or external factors in analyzing management regimes. In practice, of course, these assumptions are false.

The regulatory controls and economic incentives in effective management can be cancelled out when subsidies artificially draw more enterprises and capital to the industry than would have occurred in a non-subsidized fishing sector.

For example, in a scenario where capacity-enhancing subsidies are instituted in a well-managed fishery with rights-based management, stakeholders in the fisheries sector who have benefited from the subsidy and now have increased capacity can politically pressure the management body to ignore scientific considerations and inflate catch quotas to accommodate their new capacity, thereby negating the benefits of management.

Furthermore, when governments provide cost-reducing subsidies to a fishery with individual fishing quotas in place, companies may have an incentive to mine, or intensely fish their stock allocation into collapse and then reinvest the revenues from the fishery in some other form of investment. Therefore, subsidies to an initially well-managed fishery can create overfishing, which continues even when the stock is in an overfished state.
New Zealand’s economy has historically been dependent on agriculture and food exports. In 1984, the government faced a fiscal crisis and decided to remove all subsidies to its fishing industry. At the same time, it introduced a rights-based management regime with individual transferable quotas (ITQs) and a scheme that allowed the government to buyout rights.

The new management system provided those who wished to continue fishing an opportunity to participate in an efficiency-focused fishery sector, while those who opted to leave could reasonably do so. These measures headed off much of the financial and social distress from the removal of subsidies.

However, New Zealand’s system has not been perfect and has needed adaptation over time. An example is the orange roughy fishery, which has experienced consistent overfishing despite management through an ITQ system since the 1980’s. Today, most orange roughy stocks are still in an overfished condition.

Nonetheless, New Zealand is recognized as having one of the world’s most effective fisheries management systems – which can be credited to its measures and political commitment to reform.

Notes


2. This is not an exclusive list of names and they are potentially overlapping; Flaaten, O. and Wallis, P. 2000. Government Financial Transfers to Fishing Industries in OECD Countries, Corvallis, July 2000.


25. Sumaila et al., 2013, at 22.


29. Sumaila et al., 2013.


A Frame Survey is a census-based approach in which data is collected on all fishing vessels and gear (at all homeports/fishing sites), which could be potentially operating within the estimation context or stratum. Usually, Frame Surveys also provide the opportunity for recording supplementary information useful for planning and implementation purposes, such as fishing trip patterns and seasonal use of fishing gear. They can also be used to provide information on the socio-economics and demography of fishing communities.

33 Sumaila and Pauly, 2006, at 15.

34 Sumaila and Pauly, 2006, at 38.


36 Milazzo, 1998; Out of these varied combinations are three types of access agreements: (i) reciprocal access (ii) access for trade agreements, and (iii) access fees for third country agreements.


41 APEC. 2000. Study into the nature and extent of subsidies in the fisheries sector of APEC member economies. PricewaterhouseCoopers Report No. CTI 07/99T.


45 “The semi-independent Government of Iceland between the world wars of the twentieth century encouraged the fishery through Government investments in infrastructure, including harbours and lighthouses which were used predominantly by the fishing industry.” FAO, 2004, at 22.


54 Arnason, et al., 2008, at 51.


57 Clark, et al., 2003.

58 Khan et al., 2006, at 29.

59 Khan et al., 2006, at 29.

60 OECD. 2000. Transition to Responsible Fisheries -- Economic and Policy Implications. AGR/FI(99)7/FINAL.


62 Khan et al., 2006, at 29.

63 Sumaila et al., 2010, 2010. Data is obtained from the following major sources: (a) OECD (b) APEC (c) European Commission; (d) FAO web resources; (e) national fisheries department web links, financial and budgetary reports, and fishery reports and documents; (f) the Support for International Fisheries and Aquatic Research, a.k.a.’onefish’ community directory program; (g) UNEP reports; (h) Global MPA costs database; (i) regional financial institutions; (j) overseas development project reports on fishery issues; (k) World Trade Organization trade notifications; (l) NGO reports.

64 Sumaila et al., 2010.

65 Sumaila et al., 2010, at 211-212.


67 Sumaila et al., 2013, at 28 -32.
Paths to Fisheries Subsidies Reform: Creating sustainable fisheries through trade and economics


73 Sumaila et al., 2013, at 28-32.
74 Sumaila et al., 2013, at 28.
75 Sumaila et al., 2013, at 28.
76 Sumaila et al., 2013, at 28.
77 Sumaila et al., 2013, at 28.
79 Tyedmers, et al., 2005, at 635.
80 Tyedmers, et al., 2005, at 635.
89 Arnason et al., 2008, at 15-16.
91 Global Ocean Commission. 2013. Policy Options Paper #8: Illegal, unreported and unregulated fishing, available at: http://www.globaloceancommission.org/wp-content/uploads/GOC-paper08-IUU-fishing.pdf. "Examples of the linkages abound: the terrorists responsible for the 2008 Mumbai attacks arrived on a hijacked fishing vessel; drug smugglers hide cocaine and other high-value drugs inside fish carcasses; illegal fishers exploit slave labourers who work under appalling conditions; and it has been reported that impoverished fishers in Somalia turned to piracy at least partly as a result of their waters being seriously depleted by foreign fishing fleets."
92 Agnew et al., 2009.
93 Agnew et al., 2009.
95 OECD. 2004. Workshop on Illegal, Unreported and Unregulated (IUU) Fishing Activities. OECD. Paris. available at: http://www.oecd.org/greengrowth/fisheries/workshoponillegalunreportedunregulatedfishingactivities.htm. "IUU fishing has many facets and motivations, although the most obvious underlying incentives are economic in nature. Factors that may encourage IUU fishing include the existence of excess fleet capacity, the provision of government subsidies, strong market demand for particular fish species and products, weak national fishery administration, poor regional fisheries management and ineffective MCS (monitoring, control and surveillance), including a lack of VMS (vessel monitoring system)."
97 Kelogge and Thorston, 2011.
98 Kelogge and Thorston, 2011.
99 Kelogge and Thorston, 2011.
WWF, 2000. Analysis of the fishing agreement between the EU and Argentina.


OECD, 2006, at 233.


OECD, 2006, at 261.

This section depends highly on OECD materials; this is due to the enormous scale of the endeavor necessary to make the analysis and the uniqueness of this material.

OECD, 2006, at 79.

OECD, 2006, at 80-82.

OECD, 2006, at 86-87.

OECD, 2006, at 86-87.

OECD, 2006, at 93-95.

OECD, 2006, at 93-95


OECD, 2006, at 103-104.

OECD, 2006, at 103-104.

Arnason et al., 2008, at xviii.


Teh and Sumaila, 2013.


UNEP 2012.


Arnason, et al., 2008, at 41.

Arnason, et al., 2008, at 41.

Arnason, et al., 2008, at 41.


OECD, 2006, at 11.


Munro and Sumaila, 2002.
Evolution and Growth of the Fisheries Subsidies Issue

- History of Fisheries Subsidies Issues (Pre-WTO)
- The World Trade Organization and Fisheries Subsidies
- Other Trade Negotiations and Reforms
  - Trans-Pacific Partnership (TPP)
  - European Union Fisheries Reform
  - Transatlantic Trade and Investment Partnership (TTIP)
  - Global Ocean Commission
  - World Bank and Global Partnership for Oceans
  - United Nations Rio+20 Summit/Sustainable Development Goals (SDGs)
  - United States Congress
  - Joint Oceans Commission
The issue of fisheries subsidies is not a new development. Technical examinations of subsidies to the fishing sector from the U.N. Food and Agriculture Organization (FAO) date back to the 1960’s. The Organisation for Economic Co-operation and Development (OECD) Committee on Fisheries has been intermittently collecting data on government financial support to fisheries since at least 1965. However, during this period, the discussion of fisheries subsidies was limited to academic and technical experts.

As outlined in the law review article, *Conserving Marine Wildlife through World Trade Law*, during the latter half of the 20th century, trade law had few restrictions on fisheries subsidies. The General Agreement on Tariffs and Trade (GATT), the original treaty and organization that led to the World Trade Organization (WTO), hosted rounds of negotiations aimed at establishing international agreements to reduce tariffs. The GATT prohibited export subsidies, except for those imposed upon primary products such as products from fisheries.

The WTO is the international organization responsible for setting the global rules governing trade among nations. The WTO also serves as a forum for governments to negotiate trade agreements and for them to settle trade disputes.

The 1990’s were an important time for fisheries subsidies reform, because of increasing attention from governments, policymakers, scientists, and other stakeholders in the international community.

In 1992, countries met for the International Conference on Responsible Fisheries in Cancun, Mexico. The Conference produced the Cancun Declaration on Responsible Fishing, which asserted the vital need for fishing to continue and develop within a comprehensive system of responsible fishing that encompasses the sustainable utilization of fisheries resources in harmony with the environment.

The Cancun Declaration was formative for the United Nations Conference on Environment and Development (Earth Summit) which was held in Rio de Janeiro, Brazil in 1992. The Earth Summit produced a broad plan of action for sustainable development, including policies on the sustainable use and conservation of marine living resources of the high seas and under national jurisdiction.

In 1993, the FAO published the study *Marine Fisheries and the Law of the Sea: A Decade of Change*. This study was the first to suggest a causal relation between subsidies and declining stocks. From the available data it concluded that the global costs of the fishing industry exceeded commercial revenues by $USD 54 billion annually. It also estimated that annual industry non-subsidy revenues were around $USD 70 billion.

In 1994, the WTO Agreement on Subsidies and Countervailing Measures (ASCM) came into force. It requires member countries to notify the WTO of their provisions of subsidies to their industries.
In 1995, the Rome Consensus on World Fisheries and the U.N. Code of Conduct for Responsible Fishing (UNCCRF) were adopted. The UNCCRF is a voluntary code addressed to all stakeholders in fisheries, providing guidance to the application of norms of international environmental law. These agreements were primarily concerned with establishing science-based fisheries management and furthering international fishing cooperation. However, they also set forth several principles including a commitment to the objectives of the WTO.

In 1996, the U.N. Commission on Sustainable Development called upon governments to consider reducing subsidies to the fishing industry and abolish incentives leading to overfishing.

In 1997, the U.N. General Assembly’s Earth Summit+5, called on governments to consider the impact of fisheries subsidies when addressing the “urgent need to eliminate overfishing and excess fishing capacity.”

In 1997, the FAO’s Committee on an International Plan of Action for the Management of Fishing Capacity recognized subsidies as a prime economic factor driving overcapacity, and issued the first multilateral call on governments to eliminate subsidies that contribute, directly or indirectly, to excessive fishing capacity and unsustainable fishing, and to avoid conferring subsidies on companies, vessels or persons involved in Illegal, Unreported, and Unregulated (IUU) fishing.

Also in 1997, Asia-Pacific Economic Cooperation (APEC) included fisheries subsidies limits in its proposed Early Voluntary Sectoral Liberalization Initiative to lower tariffs and other trade barriers to trade in fish products. However, APEC was not able to achieve agreement on the overall initiative, and reached no agreement on subsidy limits. Nonetheless, APEC’s interest in fisheries subsidies led to the commissioning of a major survey of fisheries subsidies among its members.

The same year, the United Nations Environment Programme (UNEP) cohosted a workshop with World Wildlife Fund on the Role of Trade Policies in the Fishing Sector, the first international conference dedicated to fisheries subsidies and their link to the depletion of marine resources.

The international development banks also began addressing fisheries subsidies issues. The Asian Development Bank published a paper on its policies in the fishing sector. The report was one of the earliest works of an intergovernmental entity to note that fisheries subsidies can cause depletion of fish populations while simultaneously failing to create lasting benefits for the fishing industry.

In 1998, the World Bank published the first direct global analysis of fisheries subsidies, Subsidies in World Fisheries: A Reexamination. The report estimated the magnitude of total global fisheries subsidies, classified the subsidies by their effects, and set the foundation upon which subsequent reports on fisheries subsidies relied.

Also in the late 1990’s, the WTO Committee on Trade and Environment began discussions about fisheries subsidies. WTO members, including New Zealand and the United States, tabled several papers before the committee about the questionable nature and the negative impact of fisheries
subsidiaries and called for the Secretariat’s attention to the matter. In 1999, at the WTO High Level Symposium on Trade and Environment, a group of seven countries submitted a statement on the need to eliminate environmentally damaging and trade-distorting subsidies in the fishing sector. However, other WTO members downplayed the importance of subsidies as a cause of overfishing, suggesting that not all subsidies exerted a negative impact on the resource and that fisheries management was beyond the authority of the WTO.

In 2002, action points adopted at the World Summit on Sustainable Development (WSSD) in Johannesburg prominently featured fisheries subsidies. The result of this summit was the identification of eight key actions to achieve sustainable fisheries, including one specifically on fisheries subsidies.

Eliminate subsidies that contribute to illegal, unreported and unregulated fishing and to over-capacity, while completing the efforts undertaken at the World Trade Organization to clarify and improve its disciplines on fisheries subsidies, taking into account the importance of this sector to developing countries.
For more than a decade, the World Trade Organization (WTO) was engaged in a comprehensive trade negotiation to establish new global rules and disciplines on fisheries subsidies. Unfortunately, these negotiations have never been completed.

However, the contributions of the WTO negotiations to subsidy reform are monumental – and they continue to resonate strongly today. The WTO fisheries subsidies negotiations brought international attention and urgency to this issue. The negotiations produced new and innovative concepts and treatments on subsidies and natural resources, particularly on how to effectively incorporate and address sustainability in a trade and legal context. The work done on fisheries subsidies at the WTO was instrumental in generating initiatives in other organizations, and continues to be a reference for other reform efforts.

In 2001, concerns about the decline in world fish populations and recognition of the connection of subsidies to overfishing, led the WTO to include fisheries subsidies in the Doha trade “round.” The fisheries subsidies negotiations are historic in that they are the first time that conservation considerations, in addition to commerce priorities, have led to the launch of a dedicated trade negotiation.

In 2005, WTO members refined and reasserted their commitment on this subject, noting broad agreement to strengthen disciplines on fisheries subsidies, including through the prohibition of subsidies that contribute to overcapacity and overfishing. WTO members also acknowledged the need for transparency and enforceability, and the need to take into account the importance of the fishery sector to development priorities, poverty reduction, livelihood, and food security concerns.\(^{26}\)

In 2006, the WTO fisheries subsidies negotiations made significant progress. Countries introduced the first legal text proposals in the WTO fisheries subsidies negotiations, marking the beginning of "real" negotiations.

In 2007, the Chair of the WTO fisheries subsidies negotiations produced a first draft agreement. The draft text centered around a broad prohibition of capacity-enhancing subsidies, including vessel construction and upgrades, fuel, equipment, and other operating costs. The text also reflects the importance of sustainability and fisheries management for any exceptions to the main prohibition, such as in providing flexibility for developing countries.\(^{27}\)

The WTO Chair’s text has historic significance for sustainable development. It was a substantial advance in the negotiations and a landmark in the efforts of the world community to get global fisheries back on a sustainable path.\(^{28}\) The text remains a reference for subsidy work at the WTO and elsewhere.
By 2008, the Doha round became focused on the areas of agriculture and industrial goods. The fisheries subsidies negotiations continued and made steady progress with nine countries presenting proposals that would significantly control subsidies.

In July 2008, approximately 30 trade ministers held a “mini-ministerial” in Geneva in what was described as a “make-or-break” meeting to reach agreements and close the round.29 The meetings made major progress, including agreement on areas that had been obstacles in the negotiations for years. Unfortunately, the meeting ended in collapse after countries could not reach agreement on an issue related to agricultural safeguards for developing countries.

Following the 2008 mini-ministerial meeting, the Doha round moved slowly, in significant part because of political transitions in a number of key countries. However, technical work continued in all of the Doha round areas, including fisheries subsidies. In December 2008, the WTO issued a “roadmap” of action for fisheries subsidies, including a series of questions related to key issues in the negotiations.

In 2009, numerous countries made significant mention of fisheries subsidies negotiations at the WTO Seventh Ministerial Conference in Geneva demonstrating the continued prominence of the issue. Around this time, Oceana began working with WTO ambassadors and negotiators to advance a subsidy “pause” by the WTO General Council. The “pause” would have also included notification measures while the fisheries subsidies negotiations were in process.

In 2010, significant procedural changes were made with the intent of completing the Doha round in 2011. All areas of negotiation began to proceed concurrently, whereas previously the approach had been to get deals in the primary areas of the round before tackling other areas. This resulted in an increase in the engagement and activity by countries in the fisheries subsidies negotiations.

Another procedural change was the formation of a small-group process for all areas of the round. Fisheries subsidies was one of the first groups formed, further demonstrating the importance and priority attached to the issue by WTO members. The fisheries subsidies small group included approximately 15 countries with participation by WTO ambassadors. Reports of the fisheries subsidies small group indicated meaningful discussion on critical topics.

However, in the spring of 2011, intensive efforts failed to break a deadlock between some developed countries (primarily the United States) and some large emerging economies (primarily China and Brazil) over issues of market access in agriculture and industrial goods.

Consequently, the WTO recognized that it would not be possible to complete the Doha agenda as originally conceived. However, the WTO and its members continued to want to produce a result in 2011. As a result, the focus became on a smaller package of elements from the larger Doha round, including fisheries subsidies.

The United States continued to be one of the most visible and strong proponents for the inclusion of fisheries subsidies in this small package. However, as work continued, the package was not doable for political reasons similar to those that plagued the larger negotiations, along with increasing technical complexity that could not be resolved in the limited work time left that year.
In December 2011, at the WTO Eighth Ministerial Conference in Geneva, ministers from Argentina, Australia, Chile, Colombia, Ecuador, New Zealand, Norway, Peru, and the United States, reiterated their commitment and asserted the need for the WTO to address fisheries subsidies. Their statement expressed continued support for an ambitious outcome on fisheries subsidies in WTO negotiations, and urged all members to reform and eliminate harmful fisheries subsidies that contribute to overfishing and overcapacity through individual, joint, regional or multilateral initiatives.30

In December 2013, at the WTO Ninth Ministerial Conference in Bali, ministers from Argentina, Australia, Chile, Colombia, Costa Rica, Ecuador, Iceland, New Zealand, Norway, Pakistan, Peru, Philippines, and the United States made a joint statement pledging to "refrain from introducing new fishing subsidies that contribute to overfishing or overcapacity or extend or enhance existing subsidies, and to work within the WTO and other fora to improve fisheries subsidies reform and transparency."31

At the Bali ministerial meeting, WTO members also committed to develop a post-Doha work program on areas that are central to concluding the Doha round, such as agriculture, development, and least-developed country issues. The timeframe for the development of this work program, which is anticipated to take approximately two years to complete, is July 2015. It is currently unclear if and how, fisheries subsidies will be addressed in the post-Doha work program.
A number of other trade agreements, international organizations, and national governments have undertaken fisheries subsidies reform initiatives. The following sections provide an overview of these initiatives.

**Trans-Pacific Partnership (TPP)**

In November 2011, Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore, the United States, and Vietnam announced their plan for an ambitious Trans-Pacific Partnership (TPP) to enhance trade and investment among the partner countries; promote innovation, economic growth, and development; and support the creation and retention of jobs. Later on, Canada, Japan, and Mexico joined the TPP.

The TPP is intended to be the basis for a larger Pacific-wide agreement. The TPP seeks to open markets, set high-standard rules, and address 21st century issues, including environment.

TPP countries represent approximately 30 percent of global marine catch in 2011 and include five of the top ten global producers of wild capture fish. Eight of the TPP countries are among the top 20 marine fishing nations. Using either calculation, most TPP countries are important players in the fishing sector.

With the slowing of the Doha round, the TPP has become an important and complementary vehicle for countries who have been proponents of fisheries subsidy reform at the WTO. The TPP is in its final stages and is expected to include the first-ever marine conservation section in an international trade agreement, including provisions on fisheries subsidies and measures related to illegal fishing, shark finning, and fisheries management.
European Union Fisheries Reform

The Common Fisheries Policy (CFP) is the legal framework for fisheries management in the European Union (EU). The CFP was created to manage fish stocks for the EU as a whole. The CFP is responsible for four areas of fisheries policy: resource conservation, structural policy, common organization of the seafood market, and agreements with third-party countries allowing access to fishing areas.

In 2009, the European Commission released a Green Paper on reforming the CFP. The paper outlined the challenges facing Europe’s fisheries stemming from five structural failings:

1. a deep-rooted problem of fleet overcapacity,
2. imprecise policy objectives resulting in insufficient guidance for decisions and implementation,
3. a decision-making system that encourages a short-term focus,
4. a framework that does not give sufficient responsibility to the industry, and
5. a lack of political will to ensure compliance and poor compliance by the industry.

In September 2011, Oceana issued a first-ever report documenting the complex web of support given to the European fishing sector by the EU and member state governments. The report, based on government information, identified € 3.3 billion in subsidies, an amount more than three times greater than the figures typically quoted. The study found that subsidy payments exceeded the value of the total fish catch in nearly half of the EU member states.

The report received widespread attention across Europe and was highly publicized around the world. The facts set forth in the report played an important role in the decision by the European Commission to reduce fisheries subsidies.

The European Maritime Fisheries Fund (EMFF) is the financial instrument that will deliver the objectives and allow the implementation of the reformed CFP over seven years, from 2014 to 2020.

Historically, EU funding in the fisheries sector gave priority to short-term economic interests, such as supporting increased fleet capacity – often at the expense of sustainability. The EMFF is working towards stopping this trend by shifting spending towards beneficial measures such as management and data collection.

The EMFF increases funding for data control and enforcement by 60 percent compared to the previous funding cycle. The few remaining capacity-enhancing subsidies in state-aid mechanisms were also reduced by more than 30 percent. In addition, support and funding will now be denied to fishing operators with a record of illegal fishing. Finally, the EMFF established conditions and budget limits on programs that have the potential to be environmentally harmful, such as subsidies for new engines.
Transatlantic Trade and Investment Partnership (TTIP)

In February 2013, the United States and the European Union (EU) launched the Transatlantic Trade and Investment Partnership Agreement (TTIP). The TTIP seeks to further integrate the economic relationship between the United States and EU. The TTIP also aims to further develop global rules that can contribute to other multilateral trade systems.

The United States and the EU currently account for half of global economic output. Both nations account for slightly more than 16 percent of the global marine catch by weight and are regularly ranked in the top five seafood importers and exporters worldwide.

In the TTIP negotiations, the United States continues to be a strong proponent of controlling fisheries subsidies. In August 2014, the United States declared fisheries subsidies as a key issue in its objectives and goals for the TTIP.

While the EU was not a proponent in the WTO fisheries subsidies negotiations, it recently initiated domestic reforms of its subsidy programs. As described in the previous section, the EU significantly reduced fisheries subsidies in its reauthorization of the Common Fisheries Policy and the European Maritime Fisheries Fund (EMFF). In recent international negotiations on subsidies, the Directorate General for Maritime Affairs and Fisheries has indicated that the EU will support the outcome of the EMFF in trade negotiations, but not reopen or expand its commitments beyond those it has taken domestically.

The TTIP is still in the early phases. In Fall 2014, the TTIP parties began communicating their positions on the possible scope of the Trade and Sustainable Development provisions (which would include environmental issues such as fisheries subsidies) in preparation for an exchange of textual proposals. It is anticipated that the TTIP will take two to three years for completion.
Global Ocean Commission

The Global Ocean Commission (GOC) is an independent international commission made up of former heads of state, government officials, and business leaders. Established in 2013, the Commission analyzes the main challenges and threats to the high seas and develops technically and politically achievable proposals to address these issues. The GOC originated as an initiative of The Pew Charitable Trusts, in partnership with Somerville College at the University of Oxford, Adessium Foundation, and Oceans 5.

In June 2014, the GOC produced *From Decline to Recovery: a rescue package for the global ocean*, which announced the Commission’s eight proposals to advance high seas ecological recovery. One of the proposals specifically addresses overfishing and the elimination of harmful fisheries subsidies.

The GOC calls for three major steps in fisheries subsidies reform:

1. For countries to disclose and account for all their public spending in the fisheries sector
2. For the international community to reach an agreement on the classification of different subsidies and clearly identify those that are harmful
3. For states to agree to immediately cap fuel subsidies for high seas fisheries, and to eliminate them within five years
World Bank and Global Partnership for Oceans

The World Bank provides financial assistance to developing countries for projects, typically in the form of loans and grants. The Bank has a membership of 187 countries.

Knowledge Products are the primary way that the World Bank advances policy across its country clients. These reports and papers are important because they represent the official position of the Bank. Although not binding, they are influential as countries take this guidance seriously in the development of their proposals and projects.

In Sunken Billions, the World Bank and the FAO estimates that there is an economic loss of approximately $USD 50 billion annually due to the poor state of the world’s marine fisheries. The paper asserts that the world economy could recover a substantial part of this economic loss by improving the governance of marine fisheries, including through reducing subsidies.

The World Bank also initiated the Global Partnership for Oceans (GPO), an inclusive partnership of governments, civil society organizations, private sector companies, associations, research institutions, U.N. agencies, development banks, and foundations. The GPO is dedicated to restore the health of the oceans through projects, investments, advocacy, and knowledge sharing.

In its principles declaration, fishery subsidy reform is an outcome in one of three fisheries objectives the GPO will work towards meeting by 2022. Specifically, the Partnership aims to “enable the world’s overfished stocks to be rebuilt and increase the annual net benefits of capture fisheries by at least $USD 20 billion, including through reducing subsidies that promote overfishing.”

In January 2015, the Bank announced that it would no longer continue the GPO. Instead, it will address the objectives of the GPO through the Bank’s common agenda on environment and natural resources.
United Nations Rio+20 Summit

In June 2012, the United Nations Conference on Sustainable Development, more commonly known as “Rio+20,” was held in Rio de Janeiro, Brazil. This marked the 20th anniversary of the 1992 United Nations Conference on Environment and Development (UNCED) in Rio de Janeiro and the 10th anniversary of the 2002 World Summit on Sustainable Development (WSSD) in Johannesburg.

Rio+20 had two key themes: 1) a green economy with regard to sustainable development and poverty eradication, and 2) the institutional framework for sustainable development. In this context, Pacific Island countries introduced the concept of a “Blue Economy” – that is, the ocean aspects of the Rio+20 theme, including conservation and sustainable management of marine and coastal resources.

In their national submissions, Argentina, Australia, Brazil, Monaco, New Zealand, and the United States specifically referenced fisheries subsidies, while Chile, Jamaica, and Japan called for the need to address destructive fishing more broadly.

The final Rio+20 declaration included a dedicated paragraph on fisheries subsidies. The declaration reaffirmed the Johannesburg Plan of Implementation commitment to eliminate subsidies that contribute to illegal, unreported, and unregulated fishing, and overcapacity, and to refrain from introducing new subsidies or from extending or enhancing existing ones.⁴³
UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The agreement by United Nations member States to develop a set of Sustainable Development Goals (SDGs) was one of the main outcomes of the Rio+20 Conference of 2012. The SDGs will replace the Millennium Development Goals (MDGs) when they expire in 2015. Adopted in September 2000, the eight MDGs form a blueprint agreed to by all the world’s countries and leading development institutions – and range from halving extreme poverty to halting the spread of HIV/AIDS and providing universal primary education.

In January 2013, a 20-member Open Working Group was established and given the task of preparing a proposal on the SDGs. In July 2014, the working group submitted a first draft of 17 goals to the U.N. General Assembly (UNGA), the main deliberative, policymaking and representative organ of the U.N., including all 193-member countries.

One of the proposed SDGs addresses marine conservation. This goal is comprised of 10 targets, including one dedicated to fisheries subsidies:

> By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, and eliminate subsidies that contribute to IUU 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 WTO fisheries subsidies negotiation.

Between January and July 2015, the Working Group will finalize indicators to assess compliance with the targets, determine the means of implementation, and develop a framework for monitoring and reviewing implementation. Heads of state will discuss and adopt the outcomes at the Special Summit on Sustainable Development in September 2015.
United States Congress

In 2007, the U.S. Senate and House of Representatives both unanimously passed resolutions (S.Res.208, H.Con.Res.94) calling for the need to ban harmful fisheries subsidies — and leadership by the United States on this issue in the related WTO negotiations. Representative Madeleine Bordallo (D-Guam), Chair of the House Subcommittee on Fisheries, Wildlife, Oceans, and Insular Affairs, and Senator Ted Stevens (R-Alaska), Chair of the Senate Commerce, Science and Transportation Committee and longtime Chair of the Senate Appropriations Committee, sponsored the resolutions.

In 2008, the powerful House Ways and Means Committee, which has jurisdiction over international trade, issued a letter to U.S. Trade Representative Susan Schwab, urging the United States to make the successful outcome of the fisheries subsidies negotiations a trade priority. Rep. Charles Rangel (D-NY), Chair of the House Ways and Means Committee, and Rep. Sander Levin (D-MI), Chair of the Ways and Means Subcommittee on trade, led the letter with a bipartisan group of 10 other committee members.

In 2011, lawmakers from the U.S. Senate and House of Representatives wrote letters to U.S. Trade Representative Ronald Kirk, urging him to renew his commitment and leadership in the fisheries subsidies negotiations in advance of the WTO Eighth Ministerial Conference that would be held later that year.

In the House, Rep. Ronald Kind (D-WI) and Rep. Dave Reichert (R-WA) led a letter with 30 congressional members. The bipartisan group asserted that controls on global fisheries subsidies are a “must have” for the United States at the WTO.

In the Senate, a corresponding letter was led by Senator Rob Portman (R-OH), former U.S. Trade Representative, and Senator Ron Wyden (D-OR), Chairman of the Senate Finance Committee. A bipartisan group of 10 senators also joined the letter, which highlighted the threats of fisheries subsidies and asserted that an outcome on fisheries subsidies should remain a core priority for United States at the WTO.

In August 2012, Senator Wyden introduced the Fair Trade in Seafood Act (S. 3518). The legislation would make disciplines on fisheries subsidies a key negotiating objective in ongoing and future trade agreements. The bill originated from a conservation organization who wanted to help raise the profile of fisheries subsidies in Congress. Designed to be easily included in the next Trade Promotion Authority, the bill also served as an important policy tool around which congressional members could rally and register their support of the issue.
Joint Oceans Commission


Concurrently, The Pew Charitable Trusts established the Pew Oceans Commission, led by the Honorable Leon Panetta. In 2003, the 18-member group presented its recommendations on ocean policy reform in their report, *America's Living Oceans: Charting a Course for Sea Change*.

The reports of the U.S. Commission on Ocean Policy and the Pew Oceans Commission contained similar recommendations. To further their overlapping and complementary recommendations and unify their efforts, the members of the two Commissions came together in 2005 as the Joint Ocean Commission Initiative.

The Joint Ocean Commission Initiative focused its efforts in seven priority areas: national ocean policy reform; regional and state ocean leadership; international ocean leadership; ocean science, research, and education; fisheries management reform; new funding; and oceans and climate change.

In 2006, the Joint Oceans Commission issued a report *From Sea to Shining Sea: Priorities for Ocean Policy Reform*. In its report, the Commission recommended that the U.S. Senate pass a resolution acknowledging the problem of subsidies and fisheries depletion and supporting the work of the United States at the WTO.
Notes

16 Von Moltke, 2011, at 172.
18 ADB, 1997.
26 World Trade Organization, Ministerial Declaration of 18 December 2005. 22 December 2005. WT/MIN (05)/DEC.
27 Negotiating Group on Rules, Draft Consolidated Chair Texts of the AD and SCM Agreements. 3 November 2007. TN/RL/W/213.
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