<u>Civil Society Open Letter to Ministers on WTO Fisheries Subsidies</u> <u>Negotiations</u>

In February 2024 when World Trade Organization (WTO) Ministers meet there will be intense pressure and expectation for an outcome on the current negotiations on fisheries subsidies. The ministerial (MC13) comes after the Agreement on Fisheries Subsidies (AFS) was reached at the previous Ministerial, and while the WTO is eager for further agreement, the current text of negotiations fails to provide support to either fish stocks, marine conservation or development.

Research estimates that of the USD\$35.4 billion of global fisheries subsidies provided in 2018, 19% went to the small-scale fishing sub-sector (SSF), including artisanal, and subsistence fisheries. While more than 80% went to the large-scale (industrial) fishing sub-sector (LSF), of which subsidies that were capacity-enhancing totalled USD 18.3 billion with fuel subsidies being the highest overall subsidy type (USD 7.2 billion)¹.

Negotiations on fisheries subsidies in the WTO were renewed from the Sustainable Development Goal 14.6 mandate which aims to "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 (SDT) for developing and least developed countries should be an integral part of the WTO fisheries subsidies negotiation".

The current Chair's text for MC13 is failing to meet the SDG mandate because:

- **Those most responsible aren't being held accountable** Under the current Chair's text there is no recognition of historical responsibility for the state of global fish stocks and overfishing. The text does not target large-scale or industrial-scale fishing. The decades of subsidisation from industrial fishing nations and fleets are not accounted for in the design of prohibitions resulting in a text that fails to target those responsible for sustained overfishing and who have built their fleet capacities, nor the wealth that has been accrued at the expense of fish stocks and developing country resource holders.
- Small Scale Fishers caught up in the agreement If a developing country catches more than 0.8% of global marine capture, the exemption allowed is for small-scale fishers who meet the criteria of being "low income, resource poor and/or livelihood fishing" within 12 or 24 (the and/or and 12/14nm is depending the negotiations) nautical miles of the coastline. This limited exemption is not allowed if they have just one fleet engaged in distant-water fishing. Both the definition and the geographical limit severely constrains the policy space available to these governments to support their small fishers. This is also extremely unfair given that small fishers are not the ones responsible for unsustainable fishing
- **Inadequate flexibilities** Many developing country resource holders aspire to expand their domestic fleets to fish their own waters without having to rely on outside fleets. To do this, there may be a requirement for subsidisation, yet this agreement makes that harder. The division of developing countries around the percentage of global marine capture (below or above 0.8% under current Chair's text) undermines the principles of special and differential treatment and doesn't reflect the domestic capacity that members have to meet the obligations of the agreement. Crucially, the ability of developing countries to be able to access the provided flexibilities relies on them meeting the notification requirements set out, these go beyond the existing subsidy agreement requirements.

¹https://www.frontiersin.org/articles/10.3389/fmars.2020.539214/full#F5

- *WTO to decide on fisheries management measures* The proposed text allows for prohibited subsidies to continue provided that it is demonstrated the stocks being fished are being managed sustainably. This is a lop-sided clause as it will benefit those with advanced monitoring mechanisms, namely the developed countries, to continue to subsidise their fleets. It also opens up a Members conservation measures to be challenged in the WTO, an enforceable body with no expertise in fisheries management, which again favours those members with the capacity to challenge another member.
- Undermining the United Nations Convention on the Law of the Sea The current Chair's text impinges on the sovereign rights of countries to manage and exploit their fisheries resources by requiring them to report management measures to the WTO for possible contestation as well as restrict their ability to support the domestic fishing fleets. The WTO will undermine existing international ocean treaties and therefore weaken the capacities of developing countries to manage fish stocks and prevent distant-water fishing fleets from accessing fish stocks.
- An Imbalanced Agreement that Rewards Capacity The text as it currently stands will be of most use to those, mostly developed, countries that already have the existing capacity to subsidise their fleets and manage their fish stocks. The management and measurement of fisheries stocks is prohibitively expensive for many developing countries, making it harder for them to manage all their fish stocks as well as report to the WTO in order to access flexibilities in the text. Punishing those with the least capacity to manage, subsidise or notify does not address the dire state of global fish stocks but instead punishes those least responsible.
- An undemocratic and divisive process The outcome of MC12 was driven by the secretariat and only secured through all-night negotiations, something beyond the scope for many developing country delegations. We have not seen any attempt to involve small-fisher groups in these talks. In addition, it needs to give developing country and LDC members enough opportunity to participate and voice their opinions till the end, and the green room type of consultations conflict with the desired approach.

We are calling on Ministers to make sure that any outcome on overfishing and overcapacity subsidies negotiations targets those who have the greatest historical responsibility for overfishing and stock depletion, excludes all small-scale fishers from any subsidy prohibitions, prevents the WTO from ruling on the validity of conservation and management measures of members, and upholds the sovereign rights of countries under UNCLOS.

Endorsed by:

International:

- 1. People's Health Movement (PHM)
- 2. Society for International Development (SID)
- 3. The Campaign of Campaigns
- 4. Third World Network
- 5. Women's Working Group on Financing for Development
- 6. Worldwide Forum of Fish Harvesters and Fish Workers (WFF)

Regional:

- 1. Asia Pacific Forum on Women, Law and Development
- 2. Asia Pacific Network of Environmental Defenders
- 3. Asia Pacific Research Network (APRN)
- 4. Pacific Islands Association of Regional Non-Government Organisations (PIANGO)
- 5. Pacific Network on Globalisation
- 6. WIDE+ (Women In Development Europe+) Gender and Trade Working Group

National:

- 1. All India Kisan Sabha
- 2. Alliance for Sustainable and Holistic Agriculture, India
- 3. Asosiasi Nelayan Tradisional Sulawesi Utara (ANTRA), Indonesia
- 4. Aware Girls, New York, USA
- 5. Bangladesh Krishok Federation
- 6. Beyond Beijing Committee, Nepal
- 7. Biswas Nepal
- 8. COAST Foundation, Bangladesh
- 9. Centre for Human Rights and Development (CHRD), Mongolia
- 10. Consumers' Association of Penang, Malaysia
- 11. Culture Centre of the Deaf (CCD), Mongolia
- 12. Diverse Voices and Action (DIVA) for Equality, Fiji
- 13. Ecotour Enterprise, Cameroon
- 14. Empower India
- 15. Equidad de Género: Ciudadanía, Trabajo y Familia, Mexico
- 16. Equitives Foundation, India
- 17. Equity and Justice Working Group (EquityBD), Bangladesh
- 18. Federasi Serikat Nelayan Nusantara (FSNN)
- 19. Feminist Dalit Organisation (FEDO), India
- 20. Feminist Dalit Organization (FEDO), Nepal
- 21. Food Security Network- KHANI, Bangladesh
- 22. Forum Masyarakat Adat Pesisir (FMAP), Indonesia
- 23. Forum Peduli Pulau Pari, Indonesia
- 24. Handelskampanjen, Norway
- 25. ICENECDEV, Cameroon
- 26. Indian Coordination Committee of Farmers' Movement (ICCFM)
- 27. Indonesia for Global Justice (IGJ)
- 28. Inisiasi Masyarakat Adat (IMA), Indonesia
- 29. Initiative for Right View (IRV), Bangladesh
- 30. Kesatuan Nelayan Tradisional Indonesia KNTI
- 31. Koalisi Rakyat untuk Hak Atas Air (KruHA), Indonesia
- 32. Koalisi Rakyat untuk Keadilan Perikanan (KIARA), Indonesia
- 33. Koalisi untuk Advokasi Laut Aceh (KuALA), Indonesia
- 34. Komunitas Nelayan Tradisional (KNT) Muara Angke, Indonesia
- 35. Komunitas Nelayan Tradisional (KNT) Dadap, Indonesia
- 36. Krityanand UNESCO Club, India
- 37. Layar Nusantara, Indonesia
- 38. Maleya Foundation, Bangladesh
- 39. Pakistan Fisherfolk Forum
- 40. Persatuan Pendidikan dan Kebajikan Jaringan Nelayan Pantai Malaysia (Malaysian Coastal Fishermen's Welfare and Education Network)
- 41. Persaudaraan Perempuan Nelayan Indonesia (PPNI)
- 42. Psychological Responsiveness NGO, Mongolia.
- 43. Public Advocacy Initiatives for Rights and Values in India
- 44. Roots for Equity, Pakistan
- 45. Rural Development Organization (RDO), Pakistan
- 46. Sahabat Alam Malaysia (Friends of the Earth)
- 47. Samyukta Kisan Morcha (NP), India
- 48. SEATINI Uganda
- 49. Serikat Nelayan Indonesia (SNI)
- 50. South Indian Coordination Committee of Farmers' Movement (SICCFM)

- 51. Sunray Harvesters, India52. Sustainable Development Foundation, Pakistan53. The Institute for ECOSOC Rights, Indonesia
- 54. TWN Trust India
- 55. UBINIG, Bangladesh
- 56. Women with disabilities Development foundation (WDDF), Bangladesh