



The WTO Agreement on Fisheries Subsidies:

What it does and what comes next

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Presentation

The Fisheries Subsidies Agreement

- What was agreed
- What was left out

Role of Indo-Pacific countries

Lessons learned

Implications for work at the WTO



The agreement in a nutshell



Illegal, unreported and unregulated (IUU) fishing (Article 3)

Prohibition of subsidies to vessels/operators engaged in IUU fishing



Overfished stocks (Article 4)

Prohibition of subsidies to the fishing of stocks that are assessed as overfished

Others (Article 5)

Prohibition of subsidies to fishing on the **unregulated high seas**



Particular caution for subsidies to:

- **Reflagged** vessels
- Fishing of **unassessed** stocks



Horizontal: Special and differential treatment (incl. technical assistance), **transparency**, institutional issues

What was left out of the agreement?

Prohibition to provide subsidies that contribute to **overcapacity and overfishing**, including a specific list of subsidies. For example, subsidies for:

- Vessel acquisition and modernization
- Purchase of engines, machinery and equipment
- Fuel costs and other variable costs (ice, bait, etc.)
- Fishing beyond the subsidizing members' waters



Flexibility: No prohibition if measures are implemented to **maintain the relevant stock(s)** to a biologically sustainable level



Special and differential treatment: Transition period for developing countries (EEZ/RFMO) and series of permanent exemptions (artisanal fishing, small fishing nations, and least developed countries)

Future negotiations

- WTO Members committed to **continue negotiations** to achieve “a comprehensive agreement on fisheries subsidies”, including further disciplines on the subsidies that contribute to overfishing and overcapacity
- They will aim to make recommendations to the 13th Ministerial Conference

Sunset clause: If comprehensive disciplines are not adopted in the **four years** following its entry into force, the agreement shall stand **immediately terminated**,
unless WTO Members **decide otherwise**.



Role of Indo-Pacific Members

- China
- India
- Indonesia
- Pacific Islands

Lessons learned

- Building intersecting legal frameworks is challenging
- You can't divorce the economic and the environmental
- Legally binding multilateral negotiations require an extraordinary commitment of time and money

Implications for trade and environment work at the WTO...

- Different options depending on governments' preference of inclusiveness vs efficiency (CTE vs Initiatives)
- Opportunity in the environment Initiatives to re-imagine what cooperation governments can pursue at the WTO.

Thank you!

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