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# 90% of fish stocks are used up – fisheries subsidies must stop emptying the ocean



Soles caught by a North Sea trawler Image: REUTERS/Pascal Rossignol

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The name of our planet is misleading. We call it Earth, yet over 70% of its surface is covered by the ocean. Sometimes we forget how essential the ocean is for the water we drink, the air we breathe, for human activity and for life. Year after year, we have been pushing the boundaries of the ocean's sustainability, and in so doing, challenging our own.

The list of the ocean's troubles is long, but one item demands immediate attention: harmful fisheries subsidies. Nearly 90% of the world's marine fish stocks are now fully exploited,

overexploited or depleted. There is no doubt that fisheries subsidies play a big role. Without them, we could slow the overexploitation of fish stocks, deal with the overcapacity of fishing fleets, and tackle the scourge of illegal, unreported and unregulated fishing.

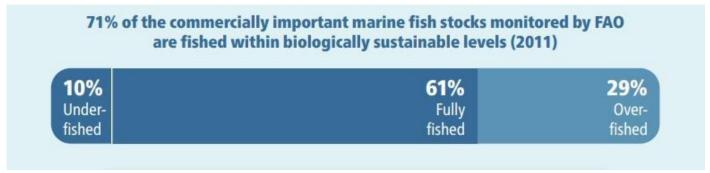


Image: Food and Agriculture Organization of the United Nations

Fish accounts for 17% of all animal protein consumed in the world, and 26% of that consumed in the poorest and least developed countries. The ocean is also an important source of income; nearly 60 million people work in fisheries and aquaculture, and an estimated 200 million jobs are directly or indirectly connected with the fisheries sector. Fish remains one of the most traded food commodities worldwide, and 54% of this trade comes from developing countries. For these countries, the fish trade generates more income than most other food commodities combined.

The sustainability of fisheries is therefore essential to the livelihoods of billions of people in coastal communities around the world, especially in developing countries, where 97% of fishermen live. But if we stay on our current course, we will push one of the planet's prime food sources to the limit and compromise our ambitions for a better world by 2030. The subsidies that do harm to fisheries, and which have underpinned the dramatic decrease of fish stocks in the last 40 years, must be withdrawn by 2020. Only then can we begin to achieve the UN's Sustainable Development Goals.

Harmful fisheries subsidies are estimated to total more than \$20 billion a year. Not only do they fuel overexploitation, they disproportionately benefit big business. Nearly 85% of fisheries subsidies benefit large fleets, but small-scale fisheries employ 90% of all fishermen and account for 30% of the catch in marine fisheries. The value of these subsidies could be instead used to invest in sustainable fisheries, aquaculture and coastal community livelihoods, reducing the pressure on fish stocks.

Fisheries subsidies come in many forms, and sometimes they are not easy to identify. One of the main sources is fuel subsidies. These result in the retail price of marine gas oil varying wildly across countries and regions, with many countries selling for below the global average price.

Sustainable Development Goal 14, which concerns the ocean, contains a target that calls on World Trade Organization (WTO) members to "prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing; eliminate subsidies that contribute to illegal, unreported and unregulated fishing; and refrain from introducing new such subsidies" by 2020.

Global leaders adopted this goal by consensus in 2015, but for too long now, potential solutions have been postponed. Harmful fisheries subsidies have been on the table for nearly two decades, since the WTO Doha Round was launched in 2001. At the WTO 11th Ministerial Conference in Buenos Aires n December 2017, it was again agreed "to continue to engage constructively".

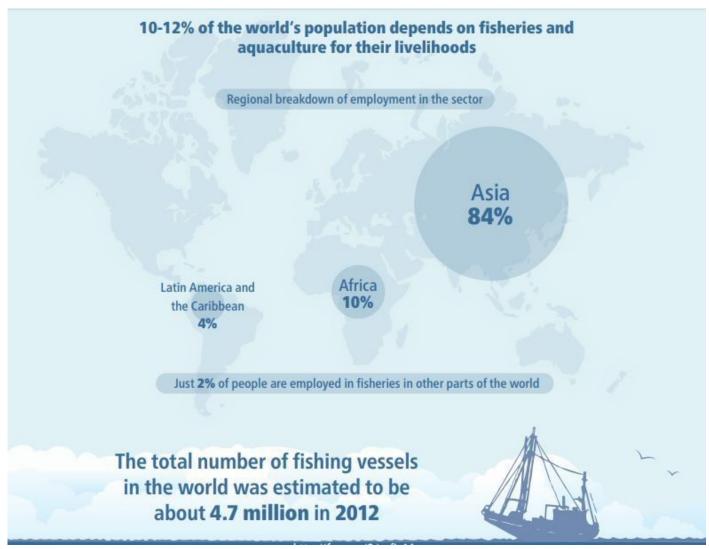


Image: Food and Agriculture Organization of the United Nations

But no agreement has been reached. The WTO has set a new target to do so in 2019. WTO members have since redoubled efforts and have been negotiating throughout 2018. According to a Work Programme for 2019 agreed in December 2018, they are trying to reach agreement by July on key issues, including the identification and elimination of subsidies that contribute to illegal, unregulated and unreported (IUU) fishing, and how to determine what contributes to

overcapacity and overfishing. (Who determines that a fish stock is already overfished? National authorities? The UN Food and Agriculture Organization? Regional fisheries' agreements?)

There is also a set of cross-cutting issues such as how to apply special and differential treatment for developing countries without defeating the purpose of the agreement sought, and which dispute resolution mechanisms, notifications and other institutional arrangements are needed. Unlike other targets in the Sustainable Development Goals, eliminating harmful fisheries subsidies would not require money. On the contrary, it would free up resources that governments could reallocate to sustainable development objectives, such as better education and healthcare, tackling climate change, and of course protecting and better managing the ocean.

While fisheries subsidies discipline is being considered, talks are ongoing around the modernization of the WTO, against the background of a so-called trade war. The 12th Ministerial Conference of the WTO has been postponed to June 2020. It will take place in Astana, Kazakhstan, effectively after the Sustainable Development Goal target date of eliminating harmful fisheries subsidies by 2020. In this context, in order to make sure that WTO negotiators maintain their course on fisheries subsidies, it could be a good idea to convene a special high-level session of the WTO in Geneva in late 2019. The deal on fisheries subsidies could be sealed there, without waiting for the 12th Ministerial Conference in 2020, at which Trade Ministers will be focusing their attention on WTO structural reform.

WTO Director General Roberto Azêvedo likes to emphasize that the WTO is central to achieving the UN 2030 Sustainable Development Goals, and rightly so. The WTO has a critical role in preventing us from trading away life on our planet, including our ocean's marine life.

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The views expressed in this article are those of the author alone and not the World Economic Forum.

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