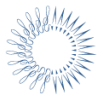


# GTA & Ending Harmful Fisheries Subsidies

*Tuesday, March 16, 2021*

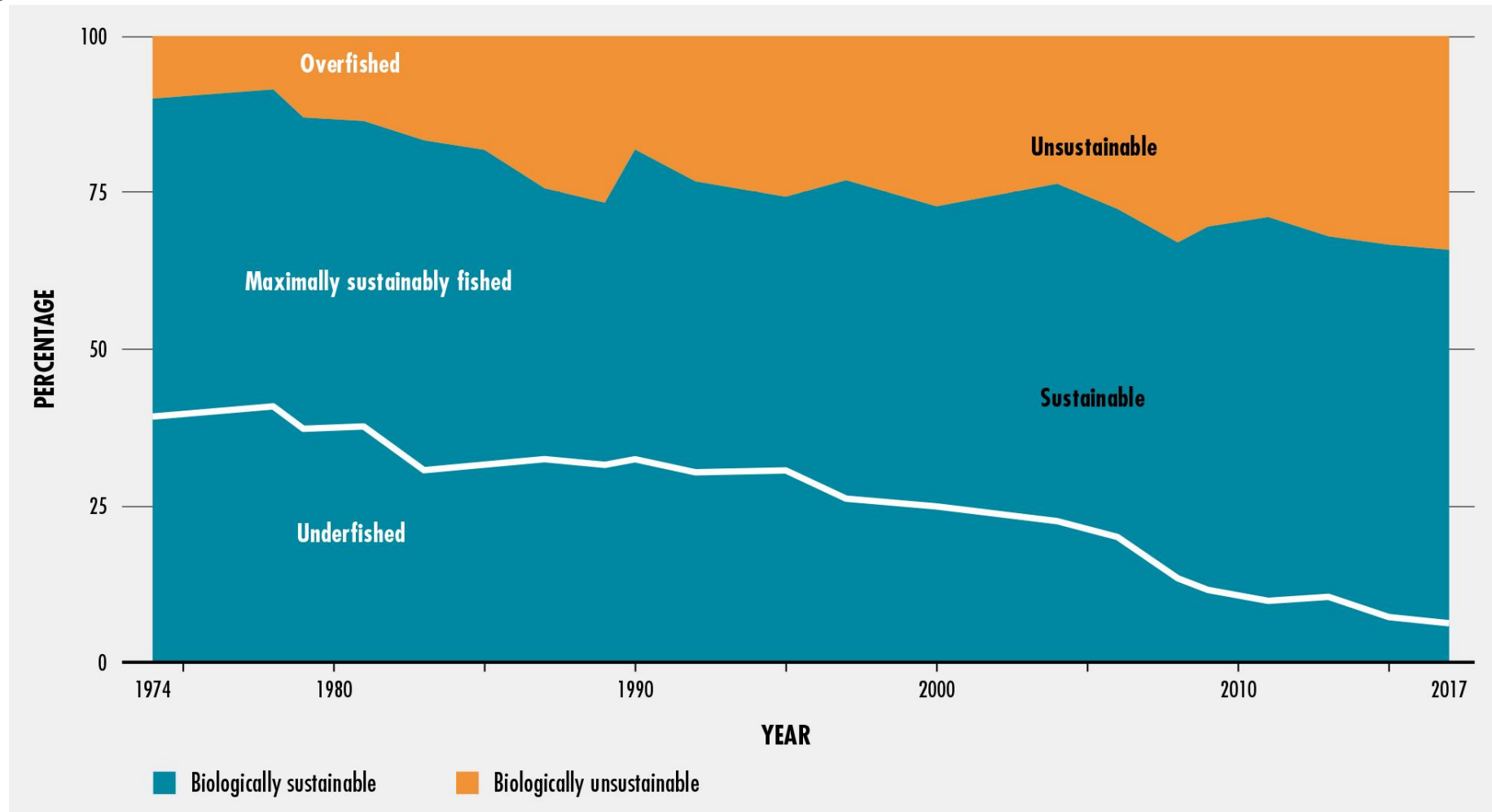
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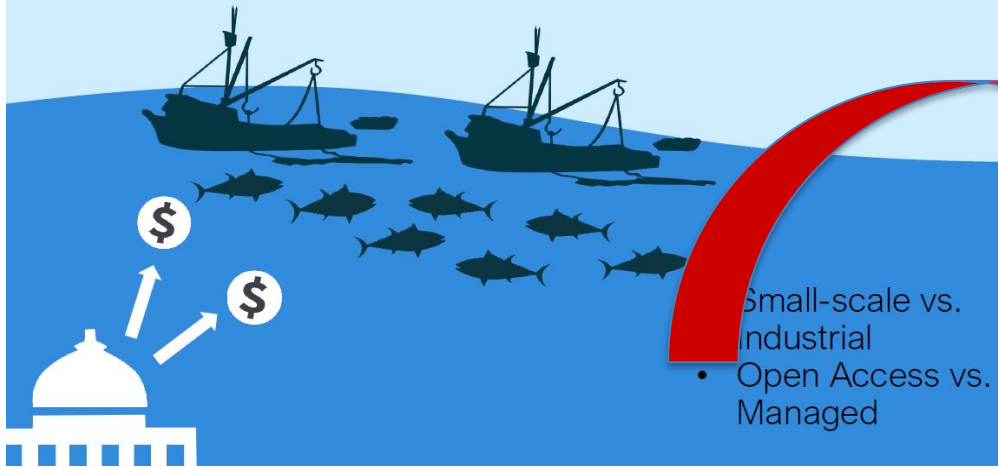
THE PEW CHARITABLE TRUSTS

[pewtrusts.org](https://pewtrusts.org)

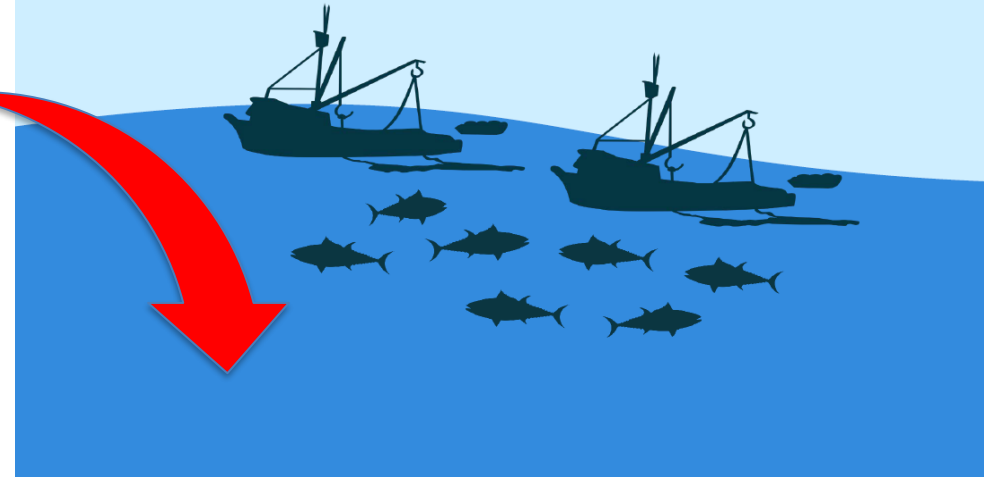
# Why end harmful fisheries subsidies?



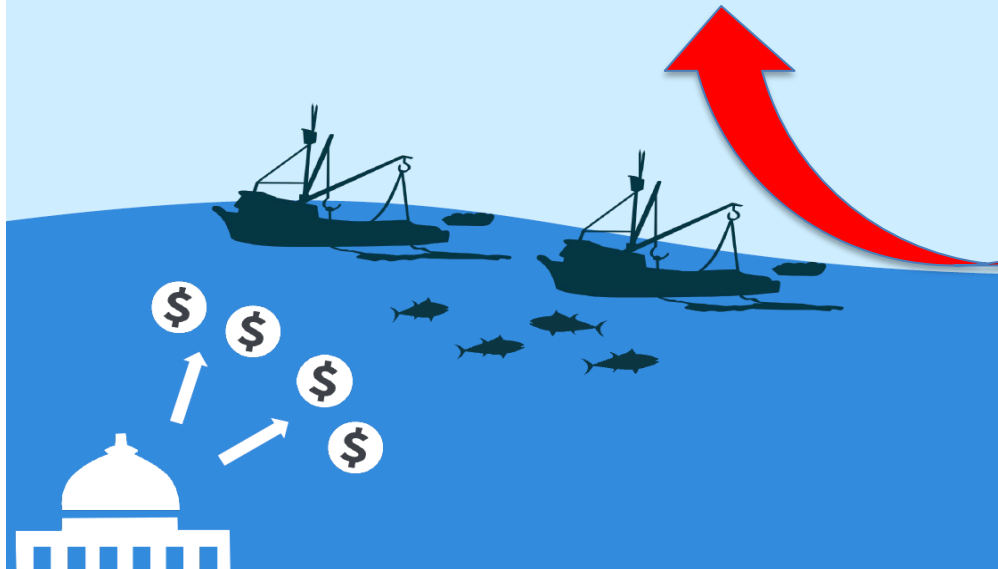
Fishers ask for government assistance to supplement livelihoods



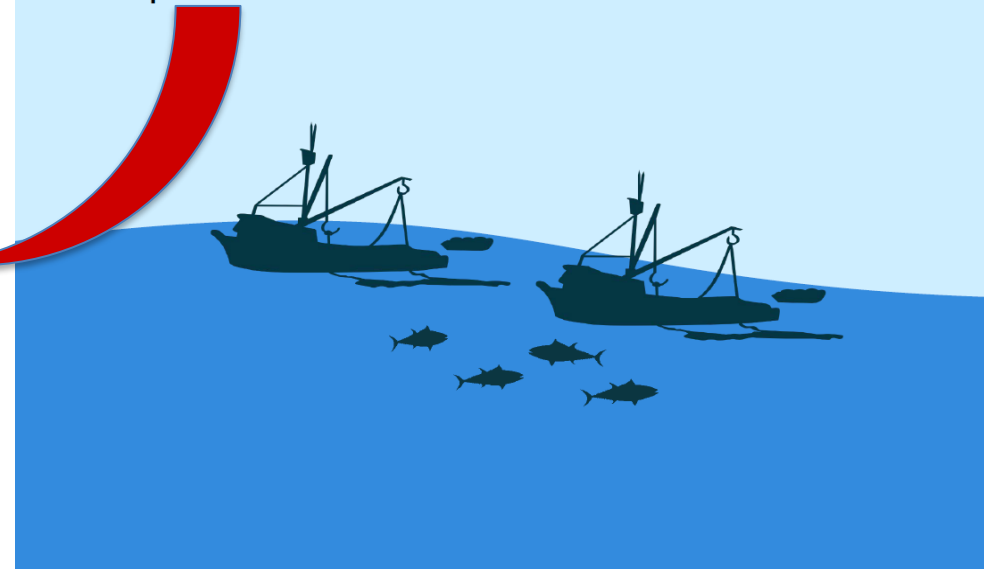
Subsidies allow increases in fishing. For a time, fishers are better off



Fishers ask for additional subsidies, which perpetuates overfishing



With time, stocks decline, which compromises fishers' livelihoods

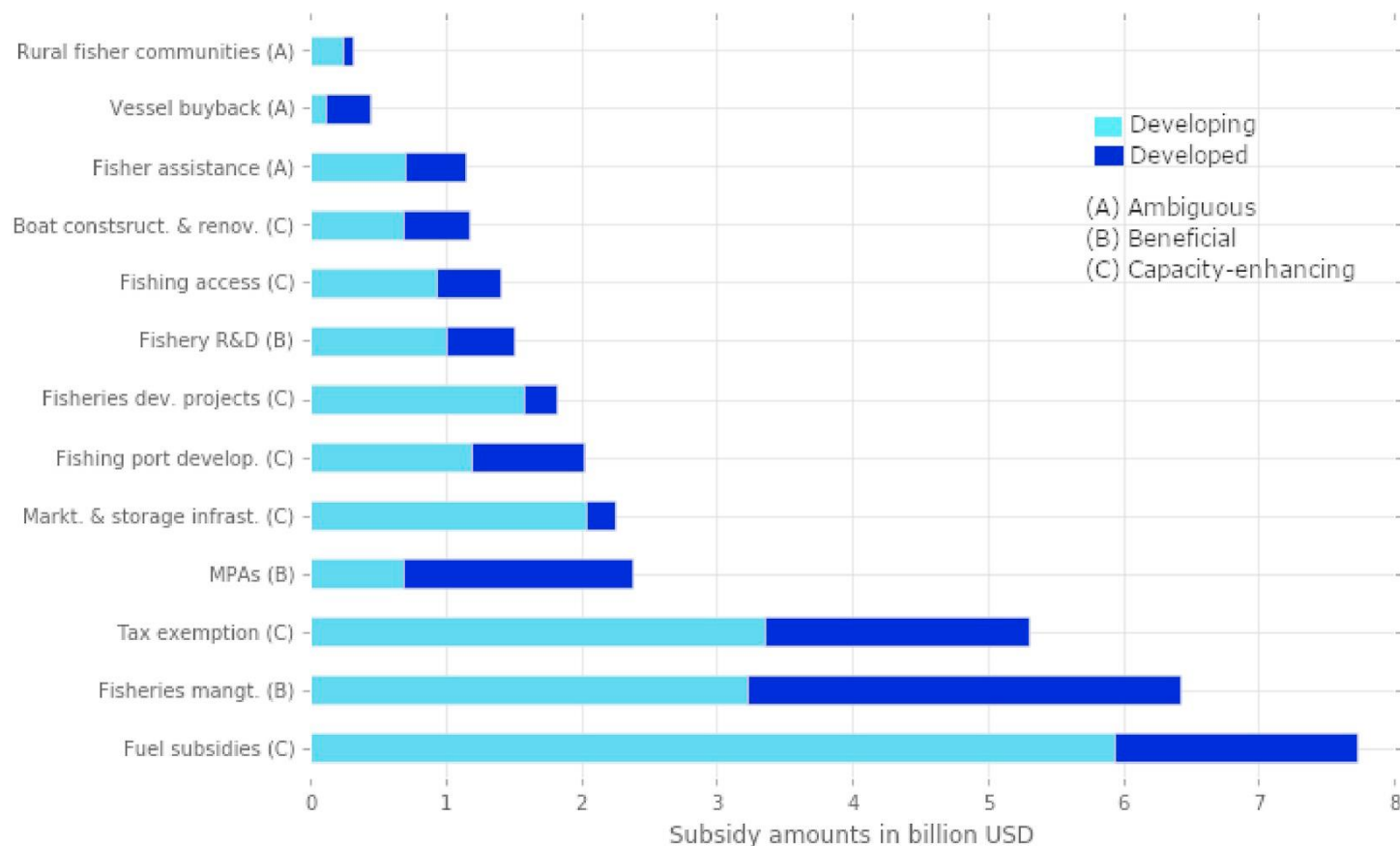


# Two Mandates for Action



*“...prohibit certain forms of fisheries subsidies that contribute to overcapacity and overfishing, and eliminate subsidies that contribute to illegal, unreported and unregulated (IUU) fishing...”*

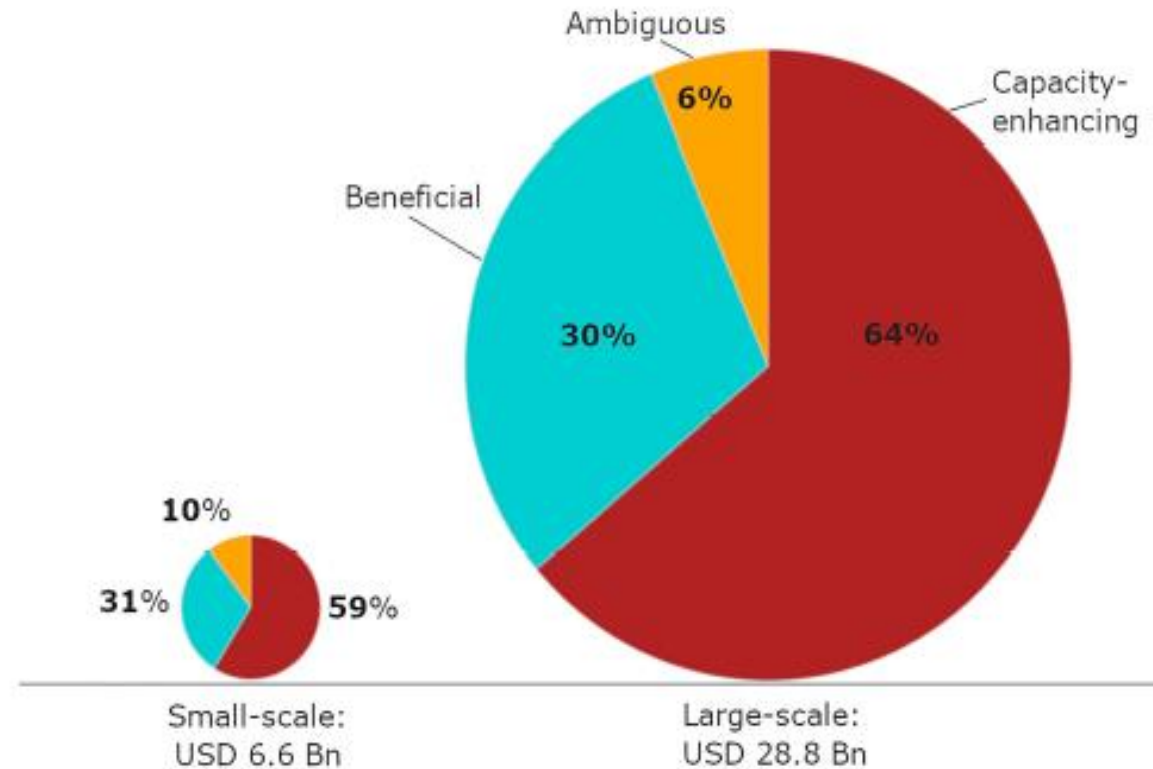
# \$22 billion in harmful subsidies each year



> 53% provided  
by just six  
political entities!

Source: Sumaila et al. (2019)

# Large-scale receives 81% of harmful subsidies



Source: Schuhbauer et al. (2020)

# Subsidies Artificially Increase Profits

Without government subsidies & low labor costs, as much as 54% of the present high-seas fishing grounds would be unprofitable at current fishing rates.

Source: Sala et al. (2018)

## HIGH SEAS, LOW PROFITS

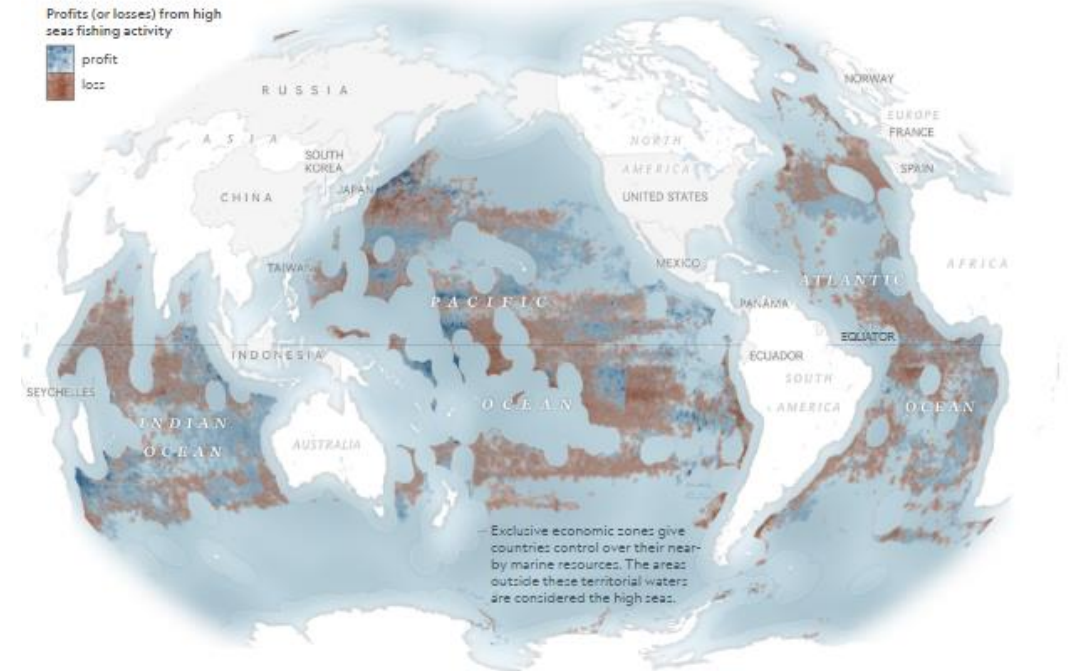
When it comes to fishing outside any country's jurisdiction (the high seas), a large haul doesn't necessarily correlate with huge profits. Without large government subsidies, some of the world's most aggressive fishers come up short on cash.

Global high seas fishing, 2014

Profits \$1.4 billion USD

Subsidies \$4.2 billion USD

Profits (or losses) from high seas fishing activity



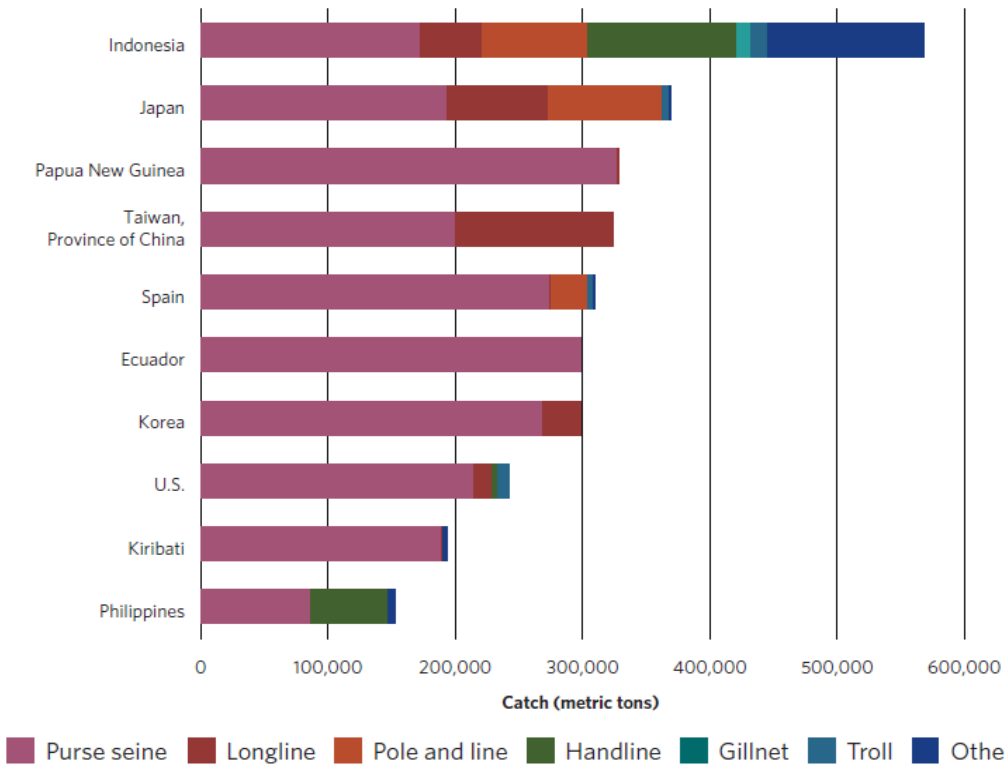
Many of the places with the largest catches depend on subsidies and low labor costs to avoid losing money.



SOREN WALLJASPER, NG STAFF  
SOURCE: JUAN MAYORGA, ENRIC SALA, AND OTHERS, "THE ECONOMICS OF FISHING THE HIGH SEAS," SCIENCE ADVANCES, 2018

# Tuna fishing nations vs big subsidizers

Figure 1  
Top 10 Tuna Fishing Nations, 2018



Top 10 Tuna Fishing Nation	% of harmful subsidies
Indonesia	3%
Japan	10%
PNG	0%
Chinese Taipei	3%
Spain	3%
Ecuador	0%
Korea	7%
US	5%
Kiribati	n/a
Philippines	1%
	<b>31%</b>

Source: Sumaila et al. (2019)

Note: 2018 tuna landings (seven species combined) based on data provided by fishing nations to regional fisheries management bodies.

Source: Poseidon Aquatic Resource Management Ltd., 2019

Source: Pew "Netting Billions" (2020)



# Impact on the water of a WTO deal?

SubsidyExplorer

SUSTAINABLE FISHERIES GROUP  
UC SANTA BARBARA

emLab  
UC SANTA BARBARA

Eliminating harmful fisheries subsidies represents the single greatest collective action governments can take to restore the health of fish populations around the world.

SubsidyExplorer is a first-of-its-kind interactive toolkit that allows users to explore potential biological and economic impacts of fisheries subsidy reform scenarios. This tool supports the negotiations currently underway at the World Trade Organization (WTO).

If WTO members agree to eliminate all harmful subsidies, by 2050, it could result in increases of up to

- + 12.5 % in global fish biomass
- + 3.5 % in global fish catch per year

This would mean 35 million more tonnes of fish in the water, and 3 million more tonnes of fish being caught every year!

Learn How Subsidy Reform Could Help Fish ▶

Explore More About Fisheries Subsidies ▶

Discover How This Tool Was Made ▶

## Explore WTO Member Proposals

Select a pre-populated WTO Member proposal from the menu below to model it and compare it against the **Most Ambitious Scenario**.

### Narrow Proposals by Category

☒ IUU ☒ OFOC ☒ Other ☒ Overfished

### Select a Proposal

IUU - No S&DT (RD/TN/RL/87) ▼

Model Selected WTO Proposal ▶

### Formal Title

Draft text on IUU fisheries subsidies

### Summary

This document advocates for a prohibition on subsidies to vessels or operators engaged in IUU fishing. It specifies that IUU determinations could be made by the flag or subsidizing Member states, by RFMO/As in accordance with their rules and procedures and in conformity with international law, or by coastal Member states for activities in waters under their jurisdictions provided that such a determination is made fairly.

### Illegal, Unreported, and Unregulated

#### ASSUMPTIONS:

1. Final determinations are made by existing RFMO/A vessel lists, by flag, subsidizing, and coastal Member states.

## Scenario Results

Export (CSV)  
GLOBAL

Export (CSV)  
REGIONAL

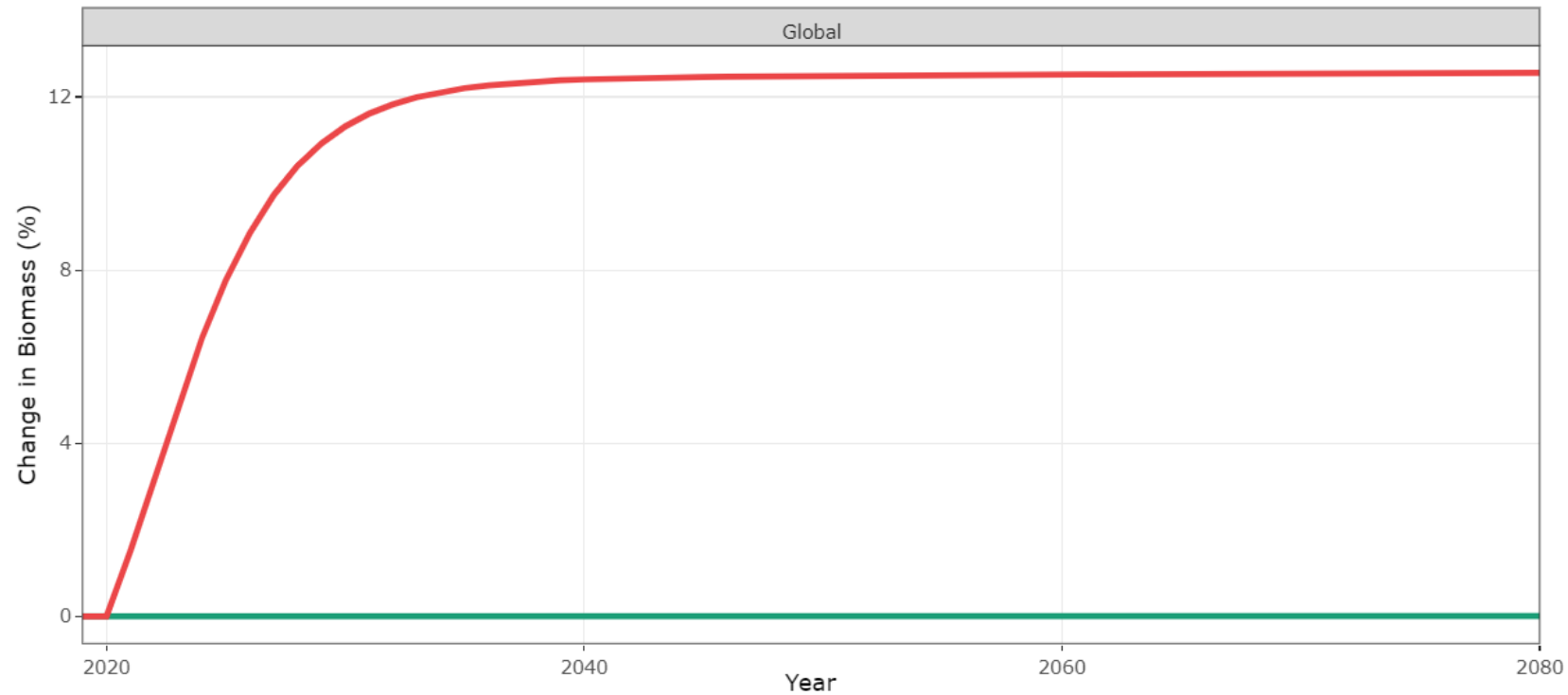
Print (PDF)  
GLOBAL

Print (PDF)  
REGIONAL

Plot

Biomass ▼


Resolution ☒ Global ☐ Regional



[www.subsidyexplorer.org](http://www.subsidyexplorer.org)

# Risk to business?

- Environmental sustainability
- Long-term sustainability
- Undermines GTA efforts in other work areas:  
Social responsibility & Transparency & Traceability
- Funds could be redirected to improve management
- Message: Spend smart – stop funding overfishing



# Fisheries Subsidies Agreement Overview

March 2021

Alice Tipping



# Key elements of the agreement

## Scope:

Subsidies to marine wild capture fishing and fishing related activities at sea

Not subsidies to inland fishing, nor to aquaculture, subsidies after natural disasters

**Pillar 1:** Prohibition on subsidies to vessels/operators caught IUU fishing

**Pillar 2:** Prohibition on subsidies to overfished stocks

**Pillar 3:** Prohibitions on subsidies to overcapacity and overfishing

- Some subsidies (operating, capital costs) unless Members demonstrate stocks are sustainable?
- Subsidies to fishing in areas beyond national jurisdiction (under some circumstances)?
- Subsidies to re-flagged vessels?
- Quantitative limits (caps)?

**Artisanal fishing exception?**

**Special and Differential Treatment exceptions for developing country Members**

**Legal and Institutional Issues**

# Case Study: Western Pacific Southern Longline Tuna Fishery



- Fishery is not biologically overfished but suffers from overcapacity.
- Subsidies to distant water fishing fleets appear to be important in enabling existing capacity in the fishery.
- Reducing subsidies to distant water fleets could, with other measures, help to make fishing by Pacific Island fleets more economic.