

## Draft Chairman's Summary

### UNEP Fisheries Workshop, Geneva, 12 February 2001

#### **Introduction**

This summary sets out key elements of presentations made and discussions held at the UNEP workshop on 12 February, which was attended by representatives of 63 governments, six intergovernmental organisations (FAO, WTO, UNCTAD, ILO, OECD and the European Commission) and a number of NGOs and fisheries experts. Those presentations and discussions explored in detail the relationship between fisheries subsidies, overcapacity and overfishing, and also the effects of fisheries subsidies within the overall context of fisheries management regimes.

Opinions differed as to the relative importance of fisheries subsidies as a factor affecting the state of fisheries resources, and to defining effective approaches to their sustainable management. Fisheries subsidies are not the sole or even the main cause of unsustainable management of fisheries resources. However, there is sufficient evidence indicating that subsidies do contribute to overcapacity and depletion of fish stocks, and that stronger action is required for sustainable management of these resources. Some countries expressed concerns over the accuracy of some of the data presented. Those concerns about factual accuracy were addressed both by noting comments made in the meeting, and by making provision to receive further written comments after the meeting. Towards the end of the meeting there was convergence on elements of further analysis required to better understand the interaction between subsidies and fisheries management. Progress was also made on defining some collaborative actions that could be taken to promote more sustainable management of fisheries resources.

Formal presentations were made by the WTO, the FAO, the OECD, Japan and New Zealand, and the Chair of the CTE. Two NGOs, the World Wide Fund for Nature (WWF) and the International Collective in Support of Fishworkers (ICSF), also made formal presentations, as did the project leaders of two UNEP country studies on the fishery sector (Senegal and Argentina) and a UNEP fisheries expert. Representatives of number of governments, intergovernmental organisations, and NGOs expressed appreciation for the organisation of the workshop and the studies prepared.

This Chairman's Summary groups key points arising in the workshop under analytical challenges, key concerns which must be addressed, existing tools for addressing the issue and options for moving forward. It was pointed out in the meeting that one's approach to the fisheries subsidy issue will depend on what is defined as the primary concern – whether it is their effects on trade, on fishing capacity or on the natural resource itself. In setting out these points it is assumed that the overarching objective should be to secure sustainable management of fisheries resources, so as to support sustainable development.

#### **Analytical challenges**

The relationship between fisheries subsidies, overcapacity and overfishing is a complex one, that has to be understood in the overall context of fisheries management and the factors that affect it. Opinions differed on the relative importance of fisheries subsidies as a cause of overcapacity and overfishing, and a range of analytical and research needs were identified as requirements for improving this understanding.

- 1) There is a need to accurately define what is a fishery subsidy, in order to better assess their effects.
- 2) It is then necessary to categorise their economic, social and environmental effects, and in particular to distinguish between those that contribute to and those that undermine sustainable management of fisheries.
- 3) In particular, there is a need to better understand the effects on fisheries resources of subsidies provide for fisheries infrastructure, such as ports, processing and distribution facilities.
- 4) More country-level, factual studies, such as those presented by the Argentinian and Senegalese consultants, are required to help with definition and categorisation.

### **Key concerns**

The following issues were raised as requiring consideration when assessing the effects of fisheries subsidies, and during the formulation of any policy response.

- 1) The social dimensions of subsidies and their implications for sustainable development must be considered in categorisation of subsidies and their effects.
- 2) The particular conditions, needs and priorities of developing countries, and small-scale fisheries within them, must be taken into account in this policy analysis.
- 3) Subsidies which contribute to health, safety and food security objectives, especially for local communities in developing countries, should be recognised as contributing to sustainable development.
- 4) The state of a particular fish stock should be a key factor in determining what actions are necessary on fisheries subsidies, or other factors affecting fisheries management.
- 5) Further analysis is also needed to assess the effect of trade liberalisation on the fisheries sector. Unconditional trade liberalisation could negatively impact the sustainable management of fisheries resources.
- 6) There is a need to address the problem of excess or retired fishing capacity being exported from the EEZs of some countries to those of others, thereby contributing to an overcapacity in the latter.
- 7) There is a need to further assess the link between subsidies, overcapacity and overfishing.
- 8) Capacity-building is required to provide developing countries and those with economies in transition with the technology, skills and other resources necessary to secure sustainable management of fisheries resources.

### **Existing tools for addressing fisheries subsidies**

While some participants felt that no action should be taken until a clearer understanding of the influence of fisheries subsidies within overall management regimes was developed, others felt that it should be possible to address the issue of subsidies directly and immediately, as a contribution to enhancing the sustainable management of the resource. A range of tools was suggested both for more accurately identifying and quantifying fisheries subsidies and for gaining a clearer understanding of their effects.

- 1) More workshops such as this one, involving governments, intergovernmental organisations, fisheries experts, NGOs and the private sector are required to better define the problem and the challenges.

- 2) More provision of data by governments and more transparency generally on the subsidies they provide to this sector would be very helpful in the process of definition and categorisation.
- 3) More widespread notification of fisheries subsidies under the WTO Subsidies and Countervailing Measures Agreement would be an important source of data on fisheries subsidies, and would enhance transparency and government accountability on the provision subsidies more generally.
- 5) A better understanding of existing disciplines on fisheries subsidies, or an elaboration of new ones, for example under regional fisheries agreements and the WTO's Subsidies and Countervailing Measures Agreement, could make an important contribution to sustainable management of fishery resources.
- 6) More international cooperation generally, and action by relevant intergovernmental organisations, is required to address unsustainable fisheries management.

### **Options for moving forward**

Some new approaches to the issue of understanding and addressing the trade, environmental and developmental effects of fisheries subsidies were proposed, based on discussions and analysis in the meeting, as well as new institutional insights, which were gained from it.

- 1) Prioritisation of studies on subsidies that are applied to open-access, unregulated and/or over-exploited fish stocks, which were generally considered to be more susceptible to negative effects from fisheries subsidies.
- 2) Defining a list of sustainability criteria, applicable to fisheries subsidy programmes, so as to create a "red list" of subsidies that would be prohibited, was proposed by some participants.
- 3) Applying a matrix approach to categorising subsidies and their effects, as suggested in the UNEP background paper prepared for the meeting, was considered a potentially fruitful approach by a number of participants.
- 4) Explicitly aiming to combine the objectives of minimising trade distortions, protecting the environment and natural resources, and enhancing development opportunities for developing countries, when addressing fishery subsidy reform (so-called "win-win-win" solutions).
- 7) Placing the issue of fisheries subsidies on the agenda of the Qatar Ministerial Conference of the WTO, with the aim of negotiating stronger disciplines on these subsidies.
- 8) Enhancing collaboration between the FAO, OECD, WTO, UNEP and the regional fisheries agreements, so as to help develop an extended institutional framework encompassing the relevant mandates and expertise necessary to secure sustainable development objectives in the fisheries sector.

The meeting concluded with thanks to all participants, presenting individuals and institutions and to the New Zealand government for financial support, which enabled enhanced developing country participation in the meeting. The Chairman stated UNEP's intention to follow-up this meeting with further collaborative activities on this issue.

**Note:** please provide comments on this draft chairman's summary to the Economics and Trade Unit by close of business on Friday 16<sup>th</sup> February. Tel. +41 22 917 8179, fax +41 22 917 8076, email: hussein.abaza@unep.ch.