

World Trade Organization: Fisheries subsidies

In June 2022, at the WTO 12th Ministerial Conference (MC12), Ministers adopted the landmark binding multilateral Agreement on Fisheries Subsidies, marking a major step forward for ocean sustainability. As mandated by SDG Target 14.6, the Agreement prohibits certain subsidies that harm the sustainability of fisheries and are a key factor in the depletion of the world's fish stocks, namely, subsidies to illegal, unreported and unregulated fishing, subsidies to fishing on overfished stocks, and subsidies to fishing in the unregulated high seas. The Agreement is only the second multilateral agreement reached at the WTO since 1995 and the first WTO agreement with environmental sustainability at its core. For the Agreement to become operational, two-thirds of WTO Members have to deposit their "instruments of acceptance" with the WTO. To date, [76] Members have deposited their Instruments, leaving [34] deposits for the Agreement to enter into force.

The WTO Fisheries Funding Mechanism

Article 7 of the Agreement on Fisheries Subsidies provides for the establishment of a voluntary funding mechanism to assist developing and least-developed Members to implement the Agreement. To this end, the WTO Fisheries Funding Mechanism Trust Fund (Fish Fund), was established in November 2022. To date, donor members have collectively disbursed and signed contributions totalling more than CHF twelve million (USD 13.14 million) to the Fish Fund and have committed or pledged a further CHF two million (USD 2.2 million).

The Fund is operated by the WTO in cooperation with the UN Food and Agriculture Organization (FAO), the World Bank, and the International Fund for Agriculture Development (IFAD). It is governed by its Steering Committee composed of representatives of donors and beneficiaries, as well as representatives of the core partner international organizations.

The Fund will be able to begin disbursing funding once the Agreement on Fisheries Subsidies enters into force. Developing and least-developed WTO Members that have deposited their instruments of acceptance of the Agreement with the WTO will be eligible to apply for funding. Work is underway to bring the Fund into full operation by the time the Agreement enters into force.

Second wave of fisheries subsidies negotiations

Ministers at MC12 also mandated the Negotiating Group on Rules (NGR) to conduct a "second wave" of fisheries subsidies negotiations, with a view to making recommendations on further disciplines to the WTO 13th Ministerial Conference (MC13). In the second wave of negotiations, the NGR has been focusing on negotiating additional provisions to achieve a comprehensive agreement on harmful fisheries subsidies, including further disciplines on certain forms of fisheries subsidies that contribute to overcapacity and overfishing, and appropriate and effective special and differential treatment for developing and least-developed country Members. At MC13, WTO Members worked intensively and made considerable progress in narrowing the remaining gaps, and a large majority of Members are committed to build on this progress to conclude the second wave of fisheries subsidies negotiations as soon as possible.

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