



Trade Negotiations Committee

**VIRTUAL FORMAL TRADE NEGOTIATIONS COMMITTEE MEETING
AT MINISTERIAL LEVEL ON FISHERIES SUBSIDIES**

THURSDAY, 15 JULY 2021

*Opening Statement by Dr. Ngozi Okonjo-Iweala
WTO Director-General and Chairperson of the Trade Negotiations Committee*

1.1. Excellencies, it is my distinct honour and pleasure to say how wonderful it is to be with you today. In 2001, Ministers decided to clarify and improve WTO disciplines on fisheries subsidies, taking into account the importance of this sector to developing and least developed countries. Leaders and Ministers have elaborated and reaffirmed this mandate, from Hong Kong in 2005 to Buenos Aires in 2017, making it clear that sustainability was the *raison d'être* of these negotiations. They made a fisheries subsidies agreement part of the UN Sustainable Development Goals, and set a 2020 deadline for reaching one.

1.2. But 20 years into these talks, we are yet to conclude an agreement. Unsustainable fishing practices continue to take a toll on our oceans, encouraged by the government financial support we are seeking to discipline. Excellencies, the time for action is long overdue. In 1970, 10% of global fish stocks were overfished, according to the UN Food and Agriculture Organization. This had risen to 27% in 2000, the year before these negotiations were launched. By 2017, 34% of global fish stocks were overfished, with most of the rest fully exploited.

1.3. Allowing this trend to continue threatens food security and livelihoods in coastal communities, together with the marine sustainability on which both depend. With a major UN Biodiversity Conference only months away, all eyes will be on trade ministers and the WTO to see whether we can truly contribute to the sustainability of our oceans and our fish stocks, a global commons problem. Your actions today can help place us on a trajectory towards a better future.

1.4. While textual proposals have evolved over the years, a core problem remains the same. Instead of converging on effective disciplines for all, negotiators have devoted time and ingenuity to finding ways to constrain others' support but not their own. This is what trade negotiators are trained to do – and Ministers, I congratulate you on the skills of your negotiating teams. But it is not getting us the outcome we need for our oceans.

1.5. There are many fundamental concerns at stake in these negotiations, particularly with regard to the livelihoods of the poorest and most vulnerable fisherwomen and men. This is why, since I took office in March, I have been reaching out to Heads of State, to you, Ministers, and to Permanent Representatives to try and find a pathway to finishing these negotiations. In all of these efforts, I have been working closely with the Chair of the Negotiating Group on Rules – Ambassador Willis to whom we owe a debt of gratitude for his diligence and persistence. I am also grateful to the Secretariat team for their tireless efforts to support these negotiations as well as to all the Permanent Representatives and your negotiators in Geneva for their hard work.

1.6. Excellencies, I believe that we are all genuinely committed, but a shift of mindset is necessary for us to bridge the final gaps that continue to separate Members.

1.7. I convened this meeting because we need your collective political guidance to propel the negotiations to the final stage, so that we can deliver an agreement soon, hopefully well before you come together again for our 12th WTO Ministerial Conference at the end of November. When I say we should deliver an agreement soon, I mean an agreement with quality. And I am optimistic that with your help today, we can get there.

1.8. My optimism springs from two sources.

1.9. First, Members all agree on the severity of the problem concerning the depletion of fisheries resources, and recognise that solving it is a shared responsibility for all of us.

1.10. When negotiating, we should regularly remind ourselves that we are working together to fulfil a common objective for the health of our planet and the livelihoods of our people. This is our purpose as enshrined in the Marrakesh Agreement. We have a chance to effect positive change for the lives of millions of people across the world. We can put SDG target 14.6 back on track at a time when the pandemic has set back development progress on so many fronts.

1.11. Second, I hear from many Members that text-based negotiations are what you want, and we now have a draft text that could serve as a basis for end-stage negotiations. Shifting to full text-based negotiations requires a text to serve as the platform for forging the final compromises.

1.12. I thank you and your negotiators for your collective work in developing this text which is a product of your engagement over the past year. The countless meetings on the successive drafts convened by Ambassador Wills, assisted by the Secretariat team, have all been aimed at listening to your priorities and concerns with a view to progressively developing a text that all Members could take as a basis for finalizing a deal.

1.13. Excellencies, we must not underestimate the significance of having – for the first time in 20 years – a full text on fisheries subsidies, built up from Members' proposals. The current text is not perfect – as is inevitable for anything based on the views of 164 Members with different perspectives. But it is an important step forward. It underscores the enormous progress you have made together over the past year, despite the challenges posed by the pandemic.

1.14. Let me emphasize that taking this text as the basis for subsequent work does not mean that it reflects full agreement, or that nothing else could be added or subtracted. That is what the text-based negotiations are for.

1.15. Furthermore, while having a text that can serve as the basis for subsequent work is necessary, it is not sufficient. We need the flexibility and dedication of your negotiators to take the remaining steps towards convergence. Your presence today, including your responses to the two questions, will provide the critical political guidance needed for them to find common ground.

1.16. Excellencies, the success or otherwise of these negotiations is in your hands. The positions you take today could set the stage for Members to reach a meaningful conclusion, focusing on our shared sustainability objectives and the livelihoods of poor fisherwomen and men, especially those engaged in artisanal fishing. You can send a powerful signal – one way or the other – about the WTO's credibility as a multilateral negotiating forum. These fisheries subsidies negotiations have become a litmus test of WTO Members' ability to deliver meaningful multilateral agreements.

1.17. Let me conclude by noting that your Ministerial colleagues are also working hard to respond to the challenges of our time. Health Ministers are working towards a pandemic preparedness treaty. Finance Ministers are putting in place a charter for financing pandemic preparedness, so that we make the multi-billion-dollar investments that will give us a better chance to prevent or contain multi-trillion-dollar crises. Environment Ministers are developing a framework to cut the rate of biodiversity loss.

1.18. The trading system also has major contributions to make on multiple fronts, helping to find solutions to the pandemic but also to this sustainability and livelihood challenge of the global commons. Success on fisheries subsidies would demonstrate to the world that the WTO can deliver new multilateral agreements. It would enhance our prospects for success in other areas. This is the collective choice facing you today, Ministers: to support a WTO that delivers results or to continue

with a WTO of division and deadlock. I know we all want the former: a WTO of results. A WTO that delivers tangible improvements to the lives of the people we are here to serve.

1.19. With these words, I would like to thank all of you for the support and commitment you have shown by taking time to participate in this meeting – at very inconvenient times of day and night for many of you. We do not take this lightly.

1.20. I look forward to hearing about your contributions to advancing our collective cause.

ANNEX**REPORT BY AMBASSADOR SANTIAGO WILLS (COLOMBIA),
CHAIR OF THE NEGOTIATING GROUP ON RULES**

1. Thank you, Director-General, and thank you Excellencies for joining us today.
2. First, I would like to echo Dr Ngozi in recognizing and thanking the hard work of your Heads of Delegation and their delegates over the past few years. It is a privilege for me to serve as the Chair of the Negotiating Group on Rules, facilitating your delegations' work on the fisheries subsidies negotiations, and it's my honour to address all of you today. Their commitment to the negotiations is much appreciated and I am very grateful to them for their flexibility and willingness to meet frequently and sometimes at short notice. I would also like to sincerely thank the DG, Dr. Ngozi, for her commitment on this process; her full engagement has been key in moving these negotiations forward and in making the necessary progress that today allows to meet with you.
3. The draft text that I introduced to the Negotiating Group on 30 June, which is the basis of the questions you will discuss, is the reflection of this work. That is, the collective work of all WTO Members. And I would like to emphasise that it remains a draft text – its purpose is to be the subject of more work.
4. This text is the latest step in a process that began 18 months ago, when I took up the Chair of the Negotiating Group. Many Members at that time suggested that we start a process of "text-based" negotiations. When I inquired, however, I found that there was no single text that could be used as a basis. Thus, one year ago, I compiled a first draft consolidated document, from the many documents that were then before Members, including proposals and facilitator reports.
5. Helpfully, those inputs all reflected three main substantive pillars derived from the mandate, on subsidies contributing to Illegal, Unreported and Unregulated fishing, subsidies to fishing on overfished stocks, and subsidies contributing to overcapacity and overfishing, as well as provisions on special and differential treatment, which is also a core element of the negotiating mandate. Along with this, the inputs addressed notifications and transparency, as well as other cross-cutting issues such as institutional arrangements and dispute settlement. The first consolidated draft document, although incomplete and very much a compilation, marked an important step in the negotiations, as Members began to engage on the basis of that single document.
6. Since then, there have been successive iterations of the draft document, on which delegations have continued to engage and contribute. Through this work, the evolving text was gradually filled out, and some clarity emerged on where there was a certain convergence, as well as on where views were divided and different options were maintained. The changes introduced were based on written and oral interventions by Members, and always were aimed at helping Members to identify the potential for convergence. It is particularly noteworthy, and a tribute to Members, that all of this progress was made while the COVID-19 pandemic brought major disruptions to how we engage.
7. The current draft, in document TN/RL/W/276/Rev.1, is the most recent product of this ongoing process of building toward a platform for text-based negotiations. The work has now distilled the issues to the point where technically we are ready to engage in that new mode. My hope is that the text can serve as a tool on which we can now work and that will help us to reach a final result that all Members can accept. We thus need Ministerial guidance to set us on this path.
8. Concerning the questions that the Director General and I put to you: on the first question, we are asking you to agree to finish the negotiations as soon as possible ahead of MC12, by engaging on the current text. This in no way means that you would be conceding your national positions, it would just mean using the text as the common basis on which you would pursue those positions to seek the amendments, additions and deletions that you believe are needed. And it would depend on fully authorizing your Heads of Delegation, that is, providing them with all of the instructions needed to make the necessary compromises on the spot.
9. The second question reflects that an overarching and fundamental concern of developing and Least Developed Country Members in these negotiations is the food security and livelihood of artisanal fishers. An affirmative answer to this question would be without prejudice to other issues

related to special and differential treatment, including in any other contexts, and would make clear that this concern is a common denominator among Members.

10. There are many other questions that Dr Ngozi and I could have raised to you but these two appeared to us to be ones where your guidance would be particularly helpful.

11. I would like to conclude by recalling the broader context of these negotiations, as already noted by Dr. Ngozi. This process started in 2001, and since then many deadlines have been missed, including the 2020 deadline contained in SDG Target 14.6, which WTO Ministers reiterated in your own Decision at MC11. These negotiations are about the sustainability of precious shared resources on which millions of people, including many poor people, depend. This is not the usual WTO business of commercial relations. The negotiations were urgent when they began 20 years ago, and have only become more so as each year has gone by and fish stocks have continued their alarming decline. So, a result is long overdue, and the world is watching.

12. As you know, Leaders will meet in September to review progress on the Sustainable Development Goals. Now is an opportunity for WTO Ministers to show your individual and collective commitment to finally delivering on the mandate.

13. Thank you, Excellencies, for joining us today and thank you Dr Ngozi for the opportunity to make this statement.
