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Trade Negotiations Committee

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

THURSDAY, 15 JULY 2021

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

Summary by Ambassador Santiago Wills, Chair of the Negotiating Group on Rules

1.1. Let us now turn to the last agenda item for our meeting, which is my closing statement.

1.2. Your Excellencies, we have successfully concluded a very long, but very productive meeting.

1.3. Perhaps unsurprisingly for our first virtual meeting of this kind, there were some technical hiccups. I don't think I have ever said the words "Excellency, we can hear you" as many times as I did today. Some of you in this room had to step in and speak unexpectedly. But in the end, nearly all Ministers and Heads of Delegation from around the world were able to connect, share their views and signal their priorities – a good dress rehearsal in case we need to do it again, going forward. I want to extend my stong sincere thanks and gratitude to the Secretariat team who made this happen today.

1.4. And while we did hear differences from many of you, I feel new hope this evening. Because Ministers and Heads of Delegation today demonstrated a strong commitment to moving forward and doing the hard work needed to get these negotiations to the finish line. I applaud you for this. Thank you to the 104 Ministers and Heads of Delegations, representing 128 Members and one Observer, who took the floor today. Factoring in statements by group coordinators, nearly all Members were represented in interventions today.

1.5. As you can see, Santiago and I keep repeating this, because for this kind of TNC meeting, it is unprecedented.

1.6. As many of you observed, in 20 years of negotiations, this is the closest we have ever come towards reaching an outcome – a high-quality outcome that would contribute to building a sustainable blue economy.

1.7. One fundamental conclusion that I draw from your interventions today is that Members are ready to use the text as the basis for future negotiations, but we also recognise that there are many gaps. There are strengths but also weaknesses in the text, and you all want to engage on this. Indeed, from the many specific references to provisions in Ambassadors Wills' 30 June draft, welcoming certain provisions and suggesting deletions to others, there were many moments today when I felt as if we had actually started the text-based negotiations!

1.8. To be clear, as the Chair of the Negotiating Group said earlier, engaging on the current text does not imply that you are conceding your respective positions. Text-based negotiations are where you will be able to pursue the additions, deletions, and modifications you want to see. In this regard,

it is welcome that we heard Heads of Delegation being authorized to contribute extra flexibility. This is necessary to bring these talks to a "meaningful and credible" conclusion as soon as practicably possible. It is clear to me that no Member wants to conclude just any agreement. We all want to conclude a quality, balanced agreement, away from the status quo.

1.9. A second takeaway from today was that there is universal agreement about the importance of the food and livelihood security of artisanal fishers in developing and least developed countries. On other aspects of special and differential treatment, of course, there will be a need to build consensus, and this will feature prominently in the negotiations ahead. It is important to note that Members seeking policy space to develop their fisheries sector want to do so sustainably – no one is questioning the overall sustainability mandate.

1.10. An additional theme we heard today was the emphasis several delegations placed on the importance of technical and financial support for developing country Members to develop fisheries management expertise for the purposes of implementing a WTO agreement. This would also contribute to the long-term sustainability of their fisheries. Such support is in no way intended to be seen as a substitute for S&DT.

1.11. Looking ahead, I ask Geneva Heads of Delegation to please start preparing to discuss the text line-by-line. This discussion is on the basis of what we have achieved today, and I sincerely want to thank Ministers and Heads of Delegation for this.

1.12. Where Capitals need to be consulted as this moves along, Heads of Delegation should have colleagues on speed-dial. And Ministers, I may need to reach out to you if we get stuck. So will Amb. Santiago Wills. In all these efforts, I urge you to bear in mind what one of you said today: "striving for perfection prevents us from achieving something good." Without an agreement, the status quo will continue, in which there is "flexibility" for everyone – which is to say, no discipline, especially for the biggest subsidisers.

1.13. As we enter this new phase of text-based discussions, I agree with Ambassador Wills that the responsibility to conclude these negotiations is truly in the hands of Members. He has done his job, and done it well. To get from here to an agreement, it will be your job to find the necessary trade-offs and flexibilities. A successful outcome by MC12 is ultimately your responsibility, not Ambassador Wills', and not mine. But Santiago, this does not mean you are off the hook. The text-based phase of negotiations, I'm sure everyone agrees, will still need your help. As I have said before, we might need to lock-up Heads of Delegation in a room until they bridge their differences. And Santiago, I will be happy to share the keys with you.

1.14. Excellencies, the world is watching. As I said this morning, the fisheries subsidies negotiations are a test for both the WTO's credibility as a multilateral negotiating forum, and of the trading system's ability to respond to problems of the global commons.

1.15. You have taken positive steps, including the key step of providing the necessary political guidance to engage in this next phase of text-based negotiations. We are very grateful. You have recognized the urgency of our task: if we wait another 20 years, there may be no marine fisheries left to subsidize or to fish – artisanal fishing communities may not have anything to fish.

1.16. But you have also recognised that even as we move forward as expeditiously as possible, we also should move with quality and with an appropriate level of ambition in mind.

1.17. Ambassador Wills and I will need a couple of days to think through the immediate next steps, as well as how to organize the upcoming negotiations most effectively.

1.18. The informal TNC/HoDs meeting next Friday provides an immediate opportunity to firm up these steps. I will therefore ask Ambassador Wills to consult with Members so that we can present to Heads of Delegation a schedule of work for the fall, before we break for the summer holiday.

1.19. With these words, let me sincerely thank all of you again for your engagement today.

1.20. The ball is now squarely back in the court of your negotiators in Geneva. We must now deliver an outcome soon – an outcome for our oceans, for our fisheries, and for the millions of people who

depend on this sector for livelihoods and for food. As I say frequently, and will never stop saying, we are here for people.

1.21. Distinguished Ministers, the weeks and months ahead are the time to seal this deal once and for all.

1.22. I hope the next time we meet on this issue, it will be to adopt a balanced, quality fisheries subsidies agreement.

1.23. With that, I invite the Trade Negotiations Committee to <u>take note</u> of my statement.

1.24. Unless any Member disagrees with my proposed way forward, I would like to close this meeting.

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ANNEX

SUMMARY BY AMBASSADOR SANTIAGO WILLS, CHAIR OF THE NEGOTIATING GROUP ON RULES

1.1. Excellencies, first and foremost, I would like to thank you all for constructively engaging today. Today we heard 104 interventions. Factoring in statements by group coordinators, nearly all WTO Members were represented in interventions today. This is very impressive. As the DG said, this in itself is a mark of success, and demonstrates commitment by Members to conclude these negotiations as soon as possible. Now, let me give you my overall reflection of the main takeaways today.

1.2. As an overall conclusion, I am very heartened by the responses and messages that we have heard today. Your statements have been constructive, and clearly show a determination to work closely with each other to finally finish these negotiations.

1.3. What was sought from Ministers today was political guidance to help close these negotiations soon. And we did hear that guidance, so thanks to you all for that.

1.4. One clear message which I think should be highlighted is that no Member said that they want to subsidize illegal or unsustainable fishing, nor has anyone questioned the mandate – this is a good common point of departure. Now, turning to responses to the questions. While a lot has been said, I would like to highlight a few takeaways.

1.5. On the first question, I heard a lot of "Yes", and a lot of "it depends". But what I did not hear is an outright "No". In my view, this is a good outcome from Ministers during this meeting today.

1.6. It is clear from Ministers that continuing the "status quo is not an option," and that we have a shared responsibility to bring these talks to a "meaningful, balanced and credible" conclusion well before MC12. This is good news. 20 years has been long enough. If we continue for another 20 years, there won't be any fish left.

1.7. I am pleasantly surprised that many Ministers raised specific aspects of the draft text. To me, this is a clear indication that Members are ready and eager to jump into text-based negotiations. While the draft text was seen to contain the basic building blocks for an agreement, it also identifies areas where further work is needed. For some Members, some key elements for possible landing zones are not yet included in the draft text. And for some others, there are elements in the text that could be deleted. However, such Members still agree that this text "can serve as the basis for a Member-led, text-based negotiation".

1.8. It was also clear today that important gaps remain. And we have to work on those differences; that will be the next step. This is why it is so important for Heads of Delegations in Geneva to be able to negotiate with the necessary authority. Thus, I believe that the answers to the first question have given us the ingredients to reach a successful conclusion; those are, a commitment to finish well ahead of MC12, a text that can be the platform for this final phase of the negotiations, and fully empowered Heads of Delegation in Geneva.

1.9. Second, it was evident today that special and differential treatment is a key and sensitive issue for many delegations. Clearly, no Member wants these disciplines to inadvertently impact the livelihood and food security of poor and vulnerable artisanal fishers of developing and LDC Members; or to undermine the sustainability objective we are pursuing in these negotiations. Indeed, Ministers strongly affirmed the importance of this sector and this objective. This does not take away from many Members' statements emphasizing that for them other elements for S&DT remain important. In particularly, a number of developing Members highlighted the need for policy space to develop their fisheries sector in a sustainable way. I believe that this guidance from Ministers; that is – policy space for sustainable fishing – is extremely useful as we enter this new phase of text-based negotiatons. As the DG and I emphasized in our opening remarks, every Member has a responsibility for this common good. Today, some Members noted that this responsibility should be proportionate.

1.10. Beyond the answers to the questions as such, many other issues were raised today, and all of these are well noted. Now that we have the necessary political guidance from Ministers, the next phase will be crucial in negotiating the final text in a way that addresses those issues in a final

compromise that all Members will be able to accept. Given the short time that we have, we can expect the next phase to be very intense, and at times uncomfortable. As Chair, I will be there to facilitate the discussions; but ultimately, it will be up to Members, in a 'give and take' exercise, to find the landing zones that everyone can live with. And I stand ready to support Members during this new phase so that we can present to you, Ministers, a final text you can gavel during the 12th Ministerial Conference later this year.