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# Trade Negotiations Committee 15 July 2021

### **MINUTES OF MEETING**

## HELD IN VIRTUAL FORMAT ON 15 JULY 2021

Chairperson: Dr. Ngozi Okonjo-Iweala (Director-General)

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Director-General Dr. Ngozi Okonjo-Iweala, <u>TNC Chairperson</u>, welcomed Ministers and Heads of Delegation to the Forty-First Session of Trade Negotiations Committee – the Virtual TNC Meeting at the Ministerial Level on Fisheries Subsidies. She noted that more than a hundred Ministers and Heads of Delegation had requested to speak. That was a record for the TNC and was a success in itself – attesting to Members' commitment to the multilateral trading system, and to the high importance they attached to successfully concluding the fisheries subsidies negotiations. Many Ministers and Heads of Delegation would be participating at unusual times of day and night. She wanted to thank all of them for that demonstration of support and engagement.

WTO Members had been at these negotiations for nearly two decades. But despite the significant progress they had made in the past months, important gaps continued to stand between them and an agreement. So, the Ministerial-level TNC meeting was an effort to try something new, instead of repeating things that had yielded limited results before. Their presence and input that day would frame the process ahead.

In the past days and weeks, many Ministers had reached out to her to emphasize the value of that day's gathering. She was grateful for these messages. She hoped that they would engage with each other in a spirit of open-mindedness and flexibility to provide the political guidance needed to conclude these negotiations soon. She believed it was imperative to conclude a good and balanced agreement before the Twelfth Ministerial Conference, so that they could focus on locking in the gains and finalizing the deal.

So, she warmly welcomed all of them once again and looked forward to constructive discussions and to a productive day.

<sup>&</sup>lt;sup>1</sup> The proposed agenda was circulated in document TN/C/W/79/Rev.1.

<sup>&</sup>lt;sup>2</sup> Under this agenda item, Ministers and Heads of Delegation as well as Permanent Representatives took the floor to provide the statements of their respective delegations.

## 1 WELCOMING STATEMENT BY THE CHAIRMAN OF THE GENERAL COUNCIL - H.E. AMBASSADOR DACIO CASTILLO

- 1.1. H.E. Ambassador Dacio Castillo, General Council Chairman, provided the following statement:
- 1.2. As Chair of the General Council, I would like to extend my welcome to the Honourable Ministers, Heads of Delegation and esteemed delegates who have joined us today, and to those who will join in the following sessions. COVID-19 has led to a postponement of meetings, so this is the first time that Ministers and Heads of Delegation have been able to convene at the WTO in a long time. While we would have all liked to be standing on the same ground, we are grateful to you for your flexibility to connect virtually from all corners of the world. Indeed, this is the first WTO Ministerial-level virtual meeting. Much work has been put in to organize it, to carefully lay the ground for a smooth running of the meeting and a productive discussion. We now look to you to find a way to harvest the fruits of the hard toiling that has been taking place in Geneva.
- 1.3. We are all here because of the vital importance of the negotiations on fisheries subsidies we are all interested to reap results. The mandate was given by the WTO Ministerial Conference twenty years ago to aim "to clarify and improve WTO disciplines on fisheries subsidies, taking into account the importance of this sector to developing countries." We have seen much constructive engagement and if the gaps can be closed, an agreement is within reach. Dear Ministers and Heads of Delegation, your engagement is decisive today and in the coming months towards the Twelfth Ministerial Conference, which will be held from 30 November to 3 December. We will continue to seek your engagement, guidance and support. From my part, I will continue working closely with all of you as we prepare for a successful MC12.
- 1.4. The Trade Negotiations Committee took note of the General Council Chairman's statement.

# 2 OPENING STATEMENT BY CHAIRPERSON OF THE TRADE NEGOTIATIONS COMMITTEE - DIRECTOR-GENERAL DR. NGOZI OKONJO-IWEALA

- 2.1. Director-General Dr. Ngozi Okonjo-Iweala, <u>TNC Chairperson</u>, provided the following statement<sup>3</sup>:
- 2.2. 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 LDC Members. 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.
- 2.3. 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. 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.
- 2.4. 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.
- 2.5. 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.

<sup>&</sup>lt;sup>3</sup> The TNC Chairperson's Opening Statement was circulated in document JOB/TNC/94.

- 2.6. 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 Wills 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.
- 2.7. 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. 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 Twelfth 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.
- 2.8. My optimism springs from two sources. 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. 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.
- 2.9. 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. 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.
- 2.10. 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. 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.
- 2.11. 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.
- 2.12. 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.
- 2.13. 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.

- 2.14. 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.
- 2.15. 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. I look forward to hearing about your contributions to advancing our collective cause.
- 2.16. The Trade Negotiations Committee took note of the TNC Chairperson's statement.

# 3 REPORT BY CHAIRMAN OF THE NEGOTIATING GROUP ON RULES - H.E. AMBASSADOR SANTIAGO WILLS

- 3.1. H.E. Ambassador Santiago Wills, <u>Chairman of the Negotiating Group on Rules</u>, provided the following report<sup>4</sup>:
- 3.2. 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.
- 3.3. 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. 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.
- 3.4. 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.
- 3.5. 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.
- 3.6. 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

<sup>&</sup>lt;sup>4</sup> The report by the Chairman of the Negotiating Group on Rules was circulated in the annex to document JOB/TNC/94.

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.

- 3.7. 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.
- 3.8. 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. 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.
- 3.9. 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. 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.
- 3.10. The Trade Negotiations Committee  $\underline{\text{took note}}$  of the report by the Chairman of the Negotiating Group on Rules.

### 4 EXCHANGES AMONGST MINISTERS<sup>5</sup>

### 4.1 Interventions by Ministers<sup>5</sup>

- 4.1. Director-General Dr. Ngozi Okonjo-Iweala, TNC Chairperson, provided the following statement:
- 4.2. It is now time to hear from you our Ministers and Heads of Delegation. To assist in focusing your exchanges in light of the report that you have just heard, I wish to recall that two questions were posed to you on 2 July to be answered during this meeting. The first question asks if you can confirm a commitment to finishing the negotiations quickly, using the text as the basis, with your Heads of Delegation fully authorized to contribute the necessary flexibility to that end. The second question aims to establish whether there is common ground among Members on the high priority of poor and vulnerable artisanal fishers in developing and LDC Members. I again wish to emphasize that answering yes to these questions does not mean that you accept every word in the text, or that the text is closed to additions, deletions or modifications. That is what text-based negotiations would focus on.
- 4.3. H.E. Mr. Jeremiah Manele, <u>Minister for Foreign Affairs & External Trade of the Solomon Islands</u>, <u>also speaking on behalf of the Pacific Group</u>, provided the following statement:
- 4.4. I make this intervention on behalf of the Pacific Group Ministers, and also in my capacity as the Chair of the ACP Council of Ministers, our Group supports the ACP Group statement which will be delivered by Jamaica.

<sup>&</sup>lt;sup>5</sup> Under this agenda item, Ministers and Heads of Delegation as well as Permanent Representatives took the floor to provide the statements of their respective delegations.

- 4.5. In response to NGR Chair's first question, the Pacific Group have previously expressed our commitment to conclude this negotiation quickly, and therefore affirm our commitment to conclude this negotiation ahead of MC12. This will allow Capitals to consider and clear the final Text before its adoption at MC12. On the current Revised Draft Text (TN/RL/W/276/Rev.1) before us today, the Pacific Group welcomes some positive changes that have been incorporated as going in a positive direction but note that some contentious issues from the previous Draft Text remain and represent an imbalance in favour of large subsidisers.
- 4.6. The Pacific Group could support the current Draft Text including the hybrid approach (Article 5.1.1) as the basis for concluding the negotiations if the following issues are taken into account. One, that the hybrid approach must include clear mechanisms to reduce harmful subsidies by large subsidisers and it must be matched by meaningful special and differential treatment for developing and LDC Members. Two, transparency must not be onerous for small Members, it must be applied proportionately to exclude small scale artisanal fishing which are not the problem and must avoid imposing transparency as a condition for S&DT. Three, the Text must exempt differential pricing in the allocation of fishing licenses, fishing rights and quotas as these are considered important fisheries management measures, as reflected in paragraph 65 of the NGR Chair's Accompanying Notes to the Revised Text.
- 4.7. On the NGR Chair's second question, the Pacific Group welcomes the exemption for artisanal fishing as reflected in the Revised Chair's Text. This exemption must include small scale fishing which is not the main cause of the problem of overfishing and is vital for the livelihood security of many coastal and island communities.
- 4.8. The Pacific Group also underlines that "appropriate and effective S&DT" is an integral part of the SDG 14.6 and MC11 mandates and must take account of Members that depend on fisheries such as small island developing states like the Pacific.
- 4.9. The Pacific Group also stresses that S&DT for the Pacific, like other ACP Members cannot be limited to artisanal fishing as suggested by the Chair in his question. As the region with healthy stocks and the largest source of global tuna catch annually, but accounting for only 0.3% of global fishing vessels, this Agreement must not lock the Pacific Members into their current situation of depending on distant water fishing nations to exploit their stocks. This Agreement must provide policy space for Pacific Members to develop their fishing capacity in future and to enable them to value add their fish and diversify their economies.
- 4.10. The Pacific Ministers therefore support the joint ACP and African Group proposal on S&DT of 25 May 2021, in particular, the exemption for small fishing nations based on an acceptable threshold of global marine catch. We note that this proposal for a threshold is also reflected in your Revised Text, Chair and the Pacific is willing to discuss how to bridge this.
- 4.11. Speaking on behalf of Solomon Islands, the following statement was made:
- 4.12. We endorse the ACP Group statement which will be delivered by Jamaica and also the Pacific Group statement. To respond to your first question, Solomon Islands supports efforts to conclude this negotiation ahead of MC12. However, we must ensure that we conclude a meaningful agreement that meets the mandates of the SDG 14.6 and the MC11 mandates of prohibiting harmful fisheries subsidies and providing effective special and differential treatment for developing and LDC Members. On the Revised Text of 30 June, Solomon Islands notes the positive changes on artisanal fishing, but the Text has retained the main areas of imbalances that would allow large subsidisers to continue their huge subsidies while overburdening small Members that contribute very little to overfishing.
- 4.13. This Text could be the basis for going forward if these imbalances are addressed. In particular: the hybrid approach must include mechanisms to reduce harmful subsidies by large subsidisers and it must be matched by meaningful special and differential treatment for developing and LDC Members; transparency obligations should not be a condition for invoking S&DT and should not be burdensome on small Members and this Agreement must not undermine our rights to our exclusive economic zones or be used to challenge our fisheries management regimes including our right to use differential pricing for fishing access as a fisheries management tool. On the final point of your first question, our Head of Delegation has the mandate to negotiate fisheries subsidies with certain flexibility to reach a meaningful agreement in close coordination with Capital.

- 4.14. On your second question, special and differential treatment is integral to the mandates and is very important for Solomon Islands and many small island developing states (SIDs). S&DT should therefore not be limited to artisanal fishing. The Solomon Islands considers S&DT important for two areas: First, for Artisanal and small-scale fishing. We welcome the exemption for artisanal fishing, but this must be broadened to include small scale fishing which is important for Solomon Islands and for many Members to support food and livelihood security. Second, to provide policy space for Members like us that have the fisheries resources, to develop our fishing capacity in future. This will enable us to value add our fish and diversify our economies. In this connection, we see the exemption for small fishing nations as a workable solution, and we can exercise the required flexibility to reach a meaningful threshold.
- 4.15. H.E. Mr. Damien O'Connor, <u>Minister for Trade and Export Growth of New Zealand</u>, provided the following statement:
- 4.16. We agreed together that fish subsidies are contributing to overfishing and depleted fish stocks worldwide. We agreed that twenty years ago at the start of this process. We now need to take the final step and agree on a solution for the health of the fish and the multilateral trading system. To that end, I affirm New Zealand's commitment to concluding the negotiation as soon as possible ahead of MC12. Last month I chaired an APEC Trade Ministers' Meeting, where Ministers from 21 economies endorsed the call for this negotiation to achieve a comprehensive and meaningful agreement by 31 July. Colleagues, we cannot take any more time than is absolutely necessary to reach a deal. Now is the time for flexibility and pragmatism. I do believe the basic elements of the landing zones necessary to reach a conclusion are contained within the draft text.
- 4.17. On the second question New Zealand agrees that the key component of special and differential treatment is for poor and vulnerable artisanal fishers in developing and Least Developed Country Members. Of course, sustainability is critical for these fishers given livelihoods literally depend on healthy stocks. Our view has always been that any permanent carve-outs must be very narrow, and special and differential treatment must be balanced against the need for meaningful disciplines. The adjustment made by the Chair in his revised text related to artisanal fishing would be a significant concession, and by no means our preferred approach. However, we are looking for genuine compromise that will move us towards a landing zone. We need to move away from extremes in order to get a set of robust subsidy disciplines that we can all be proud of.
- 4.18. This leads me back to the first question around our collective political will to conclude this deal. There are parts of the text that make us uncomfortable, as I'm sure there are for most of you. But this is what it means to bridge large gaps in our positions. Colleagues, after 20 years of negotiations, a meaningful and credible agreement is within reach. We must use the current momentum and find pragmatic landing zones on the outstanding issues. I hope others will join me in affirming their commitment to conclusion on the basis of the current text as soon as possible ahead of MC12.
- 4.19. H.E. Dr. Lino Tom MP, <u>Minister for Fisheries and Marine Resources of Papua New Guinea</u>, provided the following statement:
- 4.20. This country statement is in support of the Pacific Group statement delivered by the delegation of Solomon Islands and the African Caribbean Pacific Statement to be delivered by the delegation of Jamaica. Papua New Guinea remains committed to ensuring that an outcome is reached in the fisheries subsidies negotiations. Notwithstanding this, it is critical for the WTO to reach an agreement that meets the mandates as stated in SDG14.6 and the MC11. Successful conclusion of the fisheries subsidies negotiations will also demonstrate the credibility and relevance of the WTO.
- 4.21. Let me provide responses to the two main questions posed by you. Regarding the first question, Papua New Guinea remains committed to the negotiations and its conclusion ahead of MC12. However, the agreement must deliver on the mandates as stated in SDG14.6 to prohibit harmful fisheries subsidies and most importantly for developing and LDC Members, provide appropriate and effective special and differential treatment.
- 4.22. Papua New Guinea welcomes the progress to date, particularly the Chair's revised draft text, but reiterates that the current text is imbalanced and favours the interest of large subsidizers. The text is imbalanced because it does not take into account our special and unique circumstances it

does not meet our interests on small scale fisheries; it falls short on the mandate to accord appropriate and effective special and differential treatment; the transparency and notification requirements are onerous and burdensome; article 5 is very problematic, unfair and, disproportionate. Article 5.1.1 will enable large subsidisers to continue subsidies in the name of fisheries management while Members that contribute very little subsidies to overcapacity and overfishing will be overburdened with rules.

- 4.23. Regarding your second question, Papua New Guinea welcomes the permanent exemption of artisanal fishing. However, it is in our interest to also seek a permanent carve out for small scale fishing. Appropriate special and differential treatment applied to artisanal fishing must also apply to small scale fishing. This Agreement must not prevent PNG from using subsidies to develop its fishing fleet (noting that Oceania accounts for only 0.3% of global fishing vessels.). This includes exemption on pricing of fishing access through allocation of licences, fishing rights or quotas which are important fisheries management tools.
- 4.24. I also wish to state that the WTO is not a fisheries management organization and the WTO must observe the competence of other relevant international fisheries conventions, or treaties and regional fisheries management organizations. In conclusion, let me reiterate that any discipline on artisanal and small-scale fishing must recognise Papua New Guinea's sovereignty in its archipelagic waters. For instance, enforcement of our own domestic laws and regulations within national jurisdiction, should be respected.
- 4.25. The representative of Vanuatu, speaking on behalf of H.E. Honourable Marc Ati, <u>Minister for Foreign Affairs</u>, <u>International Cooperation and External Trade of Vanuatu</u>, provided the following statement:
- 4.26. We associate ourselves with the statements by Solomon Islands on behalf of the Pacific WTO Members and by Jamaica on behalf of the ACP. At the outset, Vanuatu states its commitment to completing the negotiations on the Fisheries Subsidies Agreement before the Ministerial Conference 12 (MC12). Despite our disappointment of the WTO Members' of not being able to conclude the Fisheries Subsidies Agreement negotiations by December 2020, we are pleased with the concerted and untiring efforts to advance the negotiations in the recent past. We accept that the Fisheries Subsidies text are evolving, and we are pleased with the progress thus far. The Chair's Draft of the negotiating text issued to WTO Members at the end of June 2021, is acknowledged and we believe that it contains basic elements and a good basis for the discussions going forward.
- 4.27. In that regard Vanuatu agrees that WTO Member's resolve must be to prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing overfished stocks, and subsidies that lead to Illegal, Unreported and Unregulated (IUU). Also that WTO Members must refrain from introducing new subsidies of that nature Vanuatu wishes to stress and call on other WTO members to recognise that appropriate and effective special and differential treatment for developing and LDC Members should be an integral part of the WTO fisheries subsidies negotiation which can include key exemptions: to be accorded to fishing 'access fees' through the allocation of licence fees; covering our small scale, village and artisanal fisheries; and to allow for policy space to use subsidies to develop our own fisheries sector.
- 4.28. The text is almost there, in our view, so allow the officials flexibility to allow convergence on the matter. In saying that, a final agreement to be meaningful for Vanuatu and for our Pacific region must allay a perception from our side, of an imbalance where the text allows those current large subsidisers to continue in the name of fisheries management, while a country like Vanuatu who contribute very little subsidies to overcapacity, and overfishing may be faced with onerous rules. A Fisheries Subsidies Agreement must be clear that fisheries management measures cannot be scrutinised or be subjected to challenge in the WTO.
- 4.29. In terms of the way forward, Vanuatu will show flexibility but for us, the protection of the Oceans, guaranteed sustaining of our fisheries resources and supporting LDCs, SVEs and Pacific countries with certain exemptions as part of the S&DT considerations should be aimed at. Also: (i) Negotiations and an agreed Fisheries Subsidies Agreement text be finalised before the end of November 2021 and that MC12 will be a formality to adopt the final agreement. This must be an outcome for MC12; (ii) Agreement on Principle at this Ministerial that Special and Differential Treatment for Developing and LDC Members must be included and reflected in a Fisheries Subsidies

Agreement and (iii) there be an agreed way forward at the end of today's meeting and call for negotiators to conclude the tasks at hand.

- 4.30. H.E. Hon. Dr. Bandula Gunawardena, <u>Minister for Trade of Sri Lanka</u>, provided the following statement:
- 4.31. At the outset, Sri Lanka reaffirms its commitment to the mandates agreed at MC11 and under SDG 14.6, and to the collective achievement of a balanced, comprehensive and effective disciplines on fisheries subsidies, with appropriate and effective S&DT measures for developing country Members. Sri Lanka is therefore concerned that the present Chair's text does not reflect the divergent positions of the developing country Members, and fails to adequately address the agreed mandates, particularly on the critical issue of S&DT for developing country Members. The text, in fact, has regressed in terms of sustainability as well as development. Instead, the proposed design of disciplines and permanent flexibilities would legitimize the status quo, allowing the biggest polluters of global fishery resources to continue harmful practices. At the same time, it has narrowed the scope of S&DT provisions for developing country Members. The resulting imbalance in the text may jeopardize its endorsement at MC12.
- 4.32. That S&DT is of critical importance, is recognized in both the WTO and SDG 14.6 mandates and in other international legal instruments that have underscored multifaceted purposes of S&DT for developing country Members. Nevertheless, it is disheartening that it is frequently framed as a problematic part of these negotiations. Current S&DT proposals mostly relate to exclusion from prohibitions for developing country Members, only within their territorial seas. However, the additional exclusion of EEZs from prohibitions under all negotiating pillars, would allow developing country Members to provide government support to build the capacity of the domestic fishing industry, leading to greater value addition of sovereign resources, and bolstering vulnerable communities.
- 4.33. The Chair's text takes a 'sustainable' management-based approach to curb subsidies, which, while allowing those having robust fisheries management systems to continue subsidisation, places those unable to demonstrate the effectiveness of their policies, at a disadvantageous position. The WTO must ensure that any commitments in these negotiations do not undermine existing frameworks for fisheries management.
- 4.34. If S&DT is to be "appropriate and effective", developing country Members must be allowed to manage and conserve their resources as per their international obligations. This approach would provide development flexibility, conservation integrity, be easier to administer as well as focus efforts on curbing subsidies in high seas. As such, S&DT should not only be about keeping a lifeline for some artisanal fisheries, but it should offer a set of supplementary disciplines that are consistent with provisions in international legal instruments, as well as entail flexibilities for future policy space which act as synergies.
- 4.35. H.E. Hon. Faiyaz Siddig Koya, Minister for Trade of Fiji, provided the following statement:
- 4.36. At the outset, I support the statement made by the Pacific Group and the ACP Group. Fiji reaffirms its commitment to conclude the fisheries subsidies negotiations ahead of the Twelfth Ministerial Conference. However, we must not rush to conclude just any type of Agreement. We must ensure that Agreement is balanced, meaningful and it delivers on the SDG 14.6. Mandate.
- 4.37. Fiji believes that the revised text does not have all the ingredients to conclude the Agreement. Fiji is not satisfied with the current chair's text. Whilst we welcome a few positive changes in the revised text, significant imbalances remain. The final agreement must require prompt and significant reductions in the level of subsidies providing by the largest subsidisers. Fiji entered negotiations for an agreement to reduce subsidies, not one that will micro-regulate our fisheries management and leave the bulk of subsidies in place. We in the Pacific have unique interests and challenges, and fish and fisheries are very important to us. Therefore, Fiji will only endorse an agreement that focuses on the sustainable development, and the protection and preservation of the fisheries resources, in a manner consistent with our own development needs.
- 4.38. The one-size-fits-all approach will not work for us small island developing states. The text is imbalance against our development and small-scale fishers. It will permanently prevent us

sustainably developing our own resources, by rewarding the existing distant water fishing fleets that have grown on the back of billions of dollars of subsidies.

- 4.39. With regard to the second question, Special and Differential Treatment is a central part of our negotiations for a discipline on subsidies to overcapacity and overfishing. We recognise that the text recognises the need for a *de minimis* provision for small fishing nations, and we welcome this inclusion across the two alterative sets of language. But attempt to reduce S&DT to time bound and territorial sea bound carve-outs is simply unacceptable for us. In short, the current approach penalizes us for never having been major subsidies. It is equally outrageous that access to S&DT should be conditioned on small island developing states fulfilling onerous reporting requirements on non-subsidy matters. The WTO is not a fisheries management organization.
- 4.40. In Fiji, 65% of the population are coastal dwellers, and comprises 850 coastal communities, whose livelihood is dependent on small-scale artisanal fisheries. Hence, sustaining our fisheries is imperative for the socio-economic prosperity of our nation and the people. S&DT must therefore provide policy space for small Members like the Pacific, which have healthy stocks to develop their capacity to fish and utilise the resources in future.
- 4.41. Fiji remains committed to a multilateral trading system and we therefore express our willingness to further discuss the proposal for an acceptable *de minimis* threshold of global marine catch as an exemption for small fishing nations in due course. It is of paramount importance that Members meet their responsibilities as we look forward to having the right balance of disciplines in fisheries subsidies for the sake of our environment, our ocean, food security and livelihoods of our people.
- 4.42. H.E. Mr. Kotaro Nogami, <u>Minister for Agriculture</u>, <u>Forestry and Fisheries of Japan</u>, provided the following statement:
- 4.43. The Chair posed two questions in the aim of reaching a conclusion to this negotiation. It is important for Japan to conclude the negotiation as soon as possible in line with the SDGs mandate to promote the sustainable use of marine fish resources. To do so, all Members, including Japan, need to participate in the discussions while showing flexibility. Let us consider the first question: "Can you confirm that the basic elements of the landing zone necessary to reach a conclusion are contained within the current draft text?" There are various points to be modified in the current draft text. Having said that, the hybrid approach in the current text is the most important element for Japan and we believe this approach is the only solution that all Members can live with. Therefore, Japan is ready to cooperate with other Members in order to conclude the negotiation as soon as possible based on the current draft text while adopting a hybrid approach.
- 4.44. Meanwhile, some Members have expressed concerns that the hybrid approach creates a carve-out for developed countries in order to escape from the prohibition of certain forms of subsidies. However, efforts to maintain and recover fish stocks through appropriate fisheries management should be duly considered whether it is done by developed or by developing country Members. In recent years, Japan also has made significant efforts to reform various fisheries policies in order to promote fisheries management, and it has explained the reforms to fishers more than 400 times at their request so they can understand and smoothly implement the reforms. Japan expects that through adopting the hybrid approach, subsidies implementation will promote Members' fisheries management and consequently improve fisheries management at a global level. This is a great achievement of this negotiation.
- 4.45. Japan has consistently insisted that the effects of fisheries subsidies should be judged holistically. This means that the effects of subsidies will be based on how subsidies are implemented and what kind of conditions of fisheries management are attached to the subsidies. The fact that Members may grant or maintain subsidies if measures are implemented to promote the rebuilding of the stock as shown in Article 4.3 seems to be the reflection of widening support for this idea. The idea that the effects of subsidies should be holistically judged should be a basic principle of this discipline.
- 4.46. Next, I will say a few words on the second question: "Can we agree that the key component of special and differential treatment is for poor and vulnerable artisanal fishers in developing country Members and LDC Members?" Japan believes it necessary to give consideration to poor and

vulnerable artisanal fisheries. At the same time, however, such a consideration should be accompanied by fisheries management. Although the differences in level of fisheries management should be taken into account depending on the amount of fish production, all Members should share responsibilities of fisheries management according to their fish production level. In this regard, Japan will actively contribute to the discussion to ensure that developing and LDC Members can benefit from the hybrid approach. On that basis, we should discuss the necessary S&DT measures for artisanal fisheries.

- 4.47. These are my answers to the Chair's questions. It is important for all Members to make efforts toward the conclusion of this negotiation as soon as possible based on the current draft chair's text. Japan will continue actively engaging in this negotiation.
- 4.48. H.E. Mr. Eiichiro Washio, <u>State Minister for Foreign Affairs of Japan</u>, provided the following statement:
- 4.49. I would like to explain Japan's position regarding assistance for developing Members. Japan fully commits itself to the early conclusion of fisheries subsidies negotiations ahead of MC12, based on SDGs, aiming at sustainable use of maritime resources, and is determined to cooperate with Director-General and the Chair as much as possible. Through the recent negotiation, however, it has become clear that the difficulty of managing marine resources constitutes one of the factors that hinders reaching an agreement in these negotiations. I understand that such management, which requires scientific data-based analysis and long-term persevering effort, is a difficult task for developing Members' artisanal fisheries. At the same time, it is also a big challenge for developed Members and should be addressed in collaboration with all of the WTO Members. Japan is firmly determined to address this important task.
- 4.50. The draft consolidated text has referred to an idea for establishment of a voluntary funding mechanism for technical assistance and capacity building. Providing assistance for developing Members is important to raise their capacities, and Japan will continue to provide such assistance in the future. Japan's experience, as a traditional fisheries country, shows that it is effective to share the following in order to support building national resource management systems: (1) financial resources; (2) human resources, technology, and goods; and (3) expertise and experience. Japan is fully committed to implementing assistance programs based on these three pillars in the aim of contributing to both concluding the negotiations and to achieving sustainable fisheries, which is our ultimate goal.
- 4.51. I believe fresh political momentum has been generated, and it is necessary to accelerate this momentum in order to eventually achieve a successful early conclusion of the negotiations. The world has great expectations for the new WTO led by Dr. Ngozi. We must ensure the conclusion of the negotiations as one of the positive outcomes at the upcoming MC12, and thereby provide the first example of the wider WTO reform. I believe that today's discussions will be an important milestone on our way to achieving an early conclusion of negotiations.
- 4.52. H.E. Mr. Yaqoob Al-Busaidi, <u>Undersecretary for Fisheries Wealth for the Ministry of Agriculture, Fisheries Wealth and Water Resources of Oman</u>, provided the following statement:
- 4.53. We feel that there are a number of issues that warrant our focus and attention. The issues of S&DT, small scale and artisanal fishing are key topics that will determine whether we can reach convergence on a final text. We feel that we should devote more time to these topics going forward to identify potential landing zones. In addition, non-specific subsidies is a sticking point that requires immediate attention, as we continue to feel that it is outside the scope of our mandate. We have already spent a considerable amount of time discussing a proposed generally available flexibility we think negotiations could benefit from giving these other topics more airtime.
- 4.54. In response to your two questions, we would like to share the following views. This delegation is committed to concluding negotiations as soon as possible ahead of MC12. As you know our Permanent Representative Ambassador Al Khanjari has been actively engaging in these negotiations since they have been elevated to the HoDs. As Permanent Representative to the WTO he is naturally authorized to speak on Oman's behalf in these negotiations. Consistent with the nature of his responsibilities he will continue to carry out his duties in coordination with Capital to receive instructions as required and engage accordingly.

- 4.55. As we have said in previous meetings, we consider that poor and vulnerable artisanal fishers should be exempt from the disciplines, except for IUU, regardless of where they are located. Artisanal fishing communities in most Members require support to sustain themselves. Moreover, for many Members, artisanal fishers engage in fishing activities beyond territorial waters. Special and Differential Treatment should cover the full range of commitments where it is required by developing and LDC Members to enable development and compliance. One example is to agree on differential treatment with respect to the demonstration burden under draft Article 5.1.1 to allow developing and LDC Members to access the proposed generally available flexibility. There are many other examples, but as there is not enough time to go through them all I will conclude my statement here.
- 4.56. H.E. Mr. Ziyozoda Sulaymon Rizoi, <u>Minister for Agriculture of Tajikistan</u>, provided the following statement:
- 4.57. The Republic of Tajikistan is landlocked. However, like many Central Asian countries, Tajikistan has rich inland water resources, such as rivers and lakes, suitable for the development of freshwater aquaculture. This provides us with the desire to participate in the discussion of the draft agreement on fisheries subsidies. Fish products are not a traditional food product in Tajikistan, but despite this, fish farming occupies a special place among our agricultural sectors. Our existing regulatory framework is aimed at developing the industry and increasing fish production in conditions of rational use and protection of fish resources.
- 4.58. According to statistical indicators, fish production has an upward trend. The volume of fish production over the past three years has increased by 42.5% and amounted to 3,572 tons. At the same time, it should be emphasized that fish production within the country, taking into account the volume of imports, which is no more than 4,000 tons of fish, covers only about 7% of existing needs. According to official estimates, this accounts for 0.25 kg of fish per capita per year, which is below the recommended food security level of 9-11 kg.
- 4.59. Financial support from the state in the form of tax exemptions has had a positive impact on the development of the sector. Farms are exempted from paying six types of tax, as well as from paying customs duties and value added tax when importing technological equipment for the needs of fish farming. As a result, in recent years, production capacities have steadily increased, but the existing artisanal fishing capacities do not lead to their overproduction and overfishing. It should be noted that individual farms have a significant share in fish production of 62.3%. In Tajikistan, 363 handicraft fish farms are engaged in the cultivation of commercial fish.
- 4.60. Tajikistan is not a "fish country", but this area is one of the priority sectors that ensures the country's food security and improves the quality of nutrition. In Tajikistan, according to an FAO survey, people get more than 60% of their energy from starchy foods. The share of energy obtained from animal products remains low at 10%. The lack of nutrients obtained from fish and seafood is especially noted, the actual consumption of such products was only 1.3% of the total physiological requirement. And those insignificant amounts of subsidies through the provision of tax preferences that are invested in the sector are important for the industry and ensuring the country's food security.
- 4.61. The Republic of Tajikistan supports the principles of predictability, transparency and non-discrimination on which the global trading system is based, and which will be applicable to the fishing industry. At the same time, we express interest in a more flexible system that ensures the application of special and differential treatment in relation to a group of developing country Members, which allows them to continue subsidizing small fisheries in order to equalize their competitive conditions with other WTO Members. We also support measures to prohibit and eradicate IUU fishing.
- 4.62. H.E. Mr. Tan Hung Seng, <u>Permanent Representative to the WTO of Singapore</u>, provided the following statement:
- 4.63. Let me begin by giving you short and sweet answers to the questions you have posed: (a) Yes, Singapore firmly affirms our commitment to conclude the fisheries subsidies negotiations as soon as possible. (b) Yes, we confirm that the latest version of the Chair's consolidated negotiating text represents an excellent basis to advance negotiations and contains helpful elements to identify possible landing zones. (c) And yes, we agree that the key component of special and differential treatment is for poor and vulnerable artisanal fishers in developing and LDC Members. Let me

elaborate. First, it is Singapore's view that the WTO must deliver an outcome in the fisheries subsidies negotiations. This is crucial both from a sustainability point of view, particularly to support UN Sustainable Development Goal (SDG) 14.6, and to demonstrate that the WTO remains relevant and able to address 21st century challenges.

- 4.64. Second, I must commend the Chair, Ambassador Santiago Wills, for his tireless efforts to develop a text that contains effective disciplines to curb harmful subsidies, while also responding to concerns expressed by Members. This balance is hard to strike but the text, which contains clear and streamlined provisions, achieves this, and we are the closest that we have ever been to achieving an outcome. Third, the issue of special and differential treatment is a complicated one. But we have to start somewhere. If we first address the most urgent aspect, which are flexibilities for artisanal fishers in developing country Members, we can then build momentum that can facilitate reaching agreement on the other disciplines around these provisions. Let me assure you that Singapore stands ready to contribute constructively towards an early conclusion of the negotiations in any way that we can.
- 4.65. H.E. Mr. Maxim Reshetnikov, <u>Minister for Economic Development of the Russian Federation</u>, provided the following statement:
- 4.66. We see several potential landing zones in the draft text. But we should not interpret the term "potential landing zone" as an agreed-upon solution. On many issues we are still far apart. Let me highlight the most crucial gaps that we still need to fill in. First, there are no safeguards against unjustified, biased or minor IUU determinations made by coastal states and RFMOs. Second, there is a presumption that certain subsidies are harmful always and under any circumstances. Third, sustainability-based criteria should be at the centre of the main prohibition, and not an exception. Fourth, high seas presumption should be limited to unregulated areas only, if any are required. Fifth, the issue of territoriality is systemically dangerous, and thus should be dealt with very cautiously.
- 4.67. Finding quick solutions only for fish should not result in long-term havoc for the other multilateral trade agreements. We have heard the positions of other Members and tabled a textual proposal aimed at reaching consensus. Throughout the negotiating process Russia has shown constructive approach, limiting its interventions to the few matters of major importance to us. Our Ambassador is instructed accordingly. Our team will continue to seek creative solutions, but we cannot jump above our heads.
- 4.68. Now, on S&DT. We do agree that genuinely poor and vulnerable artisanal fishermen should be the core subject of flexibilities. We should, therefore, work on the language to resolve this issue and avoid the exclusion of significant volumes of harmful subsidies that may be granted to self-defined "small-scale fisheries". Otherwise, it could negate our joint efforts on the fish stocks preservation. In these negotiations, Russia aims to ensure sustainability of fisheries resources and contributes towards achieving this goal. Unfortunately, under the guise of being green the slogans of sustainability are too often misused to cover anti-competitive actions. We hope that we all share the same aims and do not intend to promote opportunistic trade or economic goals that have nothing to do with our mandate.
- 4.69. H.E. Mr. Tipu Munshi, <u>Minister for Commerce of Bangladesh</u>, provided the following statement:
- 4.70. Indeed, the damage is mostly caused by the large industrial fishing vessel, either fishing illegally or through unreasonably increasing their fishing capacity. Marine fish stock is under threat because of the irresponsible subsidization by the wealthy few. This agreement should make every attempt to stop those subsidies rather than unreasonably attempt to limit policy space for those who are not the cause of the problem, the common but differentiated responsibility should be our key guiding principle.
- 4.71. We need sufficient policy space to harness our blue economy. This has been clear to our mandate, if we are to achieve something within the mandate, we need to have a prudent ambition, any attempt to expand or narrow down the mandate as it is in the draft, would be difficult to achieve desired outcome. My delegation will show every flexibility necessary to achieve our mandate. In WTO, this is a unique agreement we are negotiating which does not directly related to trade or

investment, so, any rush may jeopardize our ultimate objective and our debt to marine fisheries may exacerbate further.

- 4.72. I strongly believe, 'affirmative action' is necessary to address the need of the low-income vulnerable fishing communities. This agreement should have special horizontal provision allowing all governments to provide their much-needed support to ensure the livelihoods and access to marine fisheries to 'small scale fishers'.
- 4.73. This cannot be attempted to provide through special and differential treatment. Special and differential treatment, which is an integral part of this agreement, is to address the long-term development objective of the developing and the Least Developed Country Members, it is to address the legitimate policy space necessary to provide them, any attempt to misinterpret this noble and established tool would be unreasonable to achieve our mandate. I urge those who are opposing this notion to show necessary flexibility.
- 4.74. H.E. Mr. Ramon M. Lopez, <u>Secretary for the Department of Trade and Industry of the Philippines</u>, provided the following statement:
- 4.75. The Philippines stands together with other Members who are committed to delivering an outcome in the fisheries subsidy negotiations ahead of MC12. This will only be possible if there is solid political will and diplomatic flexibility in the negotiations. I expect Ambassador Teehankee, our Head of Delegation in Geneva, to negotiate and contribute to the flexibility that the negotiation acutely needs. Nevertheless, Secretary Dar and I trust that the negotiating pace will allow the Ambassador adequate time to consult with Capital.
- 4.76. H.E. Dr. William D. Dar, <u>Secretary of the Department of Agriculture of the Philippines</u>, provided the following statement:
- 4.77. I will now begin by addressing the first question. While we have plenty to say about the current draft text, allow me to focus today on Article 11.4(b). Our position is that nothing must inhibit a duly constituted panel from hearing a case just because one party or both parties to the dispute have unresolved territorial claims or are engaged in issues of delimitation of maritime boundaries or zones. To this end, the suggestion by some members to establish presumption of jurisdiction by a coastal state under paragraph (a) of the fourth proposal in the Chair's Compiled Textual Suggestions of 22 June 2021 is in the right direction. We would suggest, however, that the phrase "in accordance with the relevant rules of International Law" be added at the end of the suggested paragraph (a).
- 4.78. Alternatively, given the known positions of Members on Article 11.4.b, consider having a tailor-fitted exemption from this provision for a very limited number of Members. Issues of territorial claims or delimitation of maritime boundaries or zones are of the highest concern for the Philippines and in this regard ministerial imprimatur, is indispensable to conclude the negotiation. On the second question, we agree that special and differential treatment is for poor and vulnerable artisanal fishers in developing country and LDC Members, provided that the flexibility is limited to "fishing related activities up to 12 nautical miles" and does not create permanent exemption from effective disciplines to address over-capacity and overfishing.
- 4.79. H.E. Ms. Myung-hee Yoo, <u>Minister for Trade of the Republic of Korea</u>, provided the following statement:
- 4.80. The WTO has plenty of items on its agenda, but we would all agree that fisheries subsidies are one of the top items on the list. We need to conclude negotiations before MC12 to prove the WTO can still effectively function as a negotiating forum for trade rules. This will also display the WTO's readiness to address the most pressing issues of our global community.
- 4.81. In this regard, Korea believes the current draft text can serve as a solid basis for the negotiations. This text seems to contain most of the basic elements necessary to bridge the long-standing differences among Members. For instance, one of the most challenging issues was how to define the subsidies that actually contribute to overcapacity and overfishing. The current draft text's hybrid approach can be a realistic solution to resolve the Members' varying perspectives on this matter. Meanwhile, the text also keeps the door open for discussions on other important issues,

including whether the Agreement should be applied to the fuel-tax relief schemes of Members. Korea looks forward to having further talks on these items as well.

- 4.82. With regard to special and differential treatment, Korea acknowledges the need of S&DT to support the vulnerable fishing communities of developing and LDC Members. We need to agree upon appropriate and effective S&DT provisions that reflect the economic realities of developing and LDC Members without undermining the key values of our negotiations. We especially should stand ready to offer sufficient technical assistance to developing and LDC Members that encounter difficulties in implementing the Agreement. Meanwhile, in the case of S&DTs that allow exceptions to certain obligations, we should take care to grant such exceptions only to the extent that they do not compromise our shared goal of sustainable fish resources.
- 4.83. Concluding the fisheries subsidies negotiations has been an elusive goal for the last 20 years. However, I am hopeful the time has finally come for us to take this significant step forward for our multilateral trading system, and also for sustainable development. At this upcoming MC12, I hope we Ministers would all get together, face-to-face, and share our accomplishment with the world.
- 4.84. H.E. Mr. Taras Kachka, <u>Deputy Minister for Economy Trade Representative of Ukraine</u>, provided the following statement:
- 4.85. We need the success of the negotiations on this particular agreement. Ukraine is committed to do everything in order to achieve meaningful result until the Twelfth Ministerial Conference. The success of the negotiations is important in wider context of increasing sustainability goals influencing trade and we see that more and more initiatives on sustainability are actually touching on trade and influencing trade universe. In order to save international trade universe and freedom of commerce and provide that commerce helps to implement Sustainable Development Goals we need to ensure our ability, ability of our organization to deliver on trade issues that may impact sustainability of our planet.
- 4.86. I think we need to remember that the next big thing is climate policy. The WTO needs to be an exclusive fora for dealing with any trade aspects, not only fishery but also climate policy in general. For this reason, we need to present to the world the ability to build consensus and ability to find rules applicable to these issues. The agreement as well will help to build upon the existing legal architecture of other instruments of international law. It might be a good guiding element for longer strategy of WTO development. That is why it is important to conclude the negotiations on fisheries subsidies this year.
- 4.87. The second question is important as well. Ukraine adheres to the principle that special and differential treatment is essential element of WTO legal corpus in general. Thus, agreement on fisheries subsidies should as well provide this treatment to developing nations and LDCs. What is important however is clear definition of developing country. For Ukraine the state that went the transition from planned economy to market economy the issue of taxonomy is particularly important. In different circumstances, it might be treated as developed country despite the fact that other nations treated as developing ones are wealthier or have better position in particular market. Thus, we encourage finding systemic decision for criteria to be applied for S&DT.
- 4.88. Generally, the issue of fisheries subsidies is extremely important globally and the ability to conclude this agreement during Twelfth Ministerial Conference will be an important sign to global community that WTO can deliver on critical issues on current climate sustainability agenda. I hope we reach success this year.
- 4.89. H.E. Mr. Valdis Dombrovskis, <u>Executive Vice-President and Commissioner for Trade of the European Union</u>, provided the following statement:
- 4.90. On your first question, the EU is fully committed to reaching an agreement as soon as possible before MC12. We agree that safeguarding global fisheries resources is a shared responsibility. And we share the view that this multilateral agreement is the right way to address the issue of harmful subsidies. We see the text as a genuine attempt to find a balance in light of the divergent positions. The EU believes that the current text can be the basis for an agreement. It contains many elements for landing zones. Some improvements are needed, however. For instance, recognising the role of fisheries management measures in rebuilding overfished stocks is important, because fisheries

management works. Furthermore, access agreements that are based on sustainability and transparency should not be prohibited. Fuel is also an issue that affects many WTO Members and the text still requires further work in this respect.

- 4.91. On your second question, this agreement will certainly need to include special and differential treatment. We see three relevant elements: First, it must be based on actual needs for flexibility in terms of how to implement a multilateral agreement. Over time, the same rules should apply to all. Second, the negotiated outcome must provide clarity on which country and which type of fishing can benefit from flexibility. This list should be set out in black and white as part of the agreement. Third, we agree that vulnerable fishers in developing and LDC Members could benefit from some type of flexibility. But this cannot mean a blanket carve-out. Avoiding this is difficult, since we do not have a workable and widely accepted definition of artisanal or livelihood fishing. Therefore, we want to underline that the geographical scope of any flexibilities for livelihood fishing cannot go beyond territorial waters or 12 nautical miles. In addition, we consider that making an exception of this nature permanent, as opposed to transitional, risks undermining the future of both fish stocks and coastal communities.
- 4.92. In closing, let me reiterate that in the negotiations, we need to focus on what matters namely, eliminating harmful subsidies. This includes all subsidies to illegal, unregulated and unreported fishing, as well as subsidies that contribute to overcapacity and overfishing. The EU is ready. And all WTO Members need to contribute I think we all agree on this. Time is not on our side, so we need to intensify our discussions from here on, in the run up to MC12.
- 4.93. H.E. Mr. Markus Schlagenhof, <u>Delegate of the Federal Council for Trade Agreements and Head of the World Trade Division</u>, <u>State Secretariat for Economic Affairs of Switzerland</u>, provided the following statement:
- 4.94. Switzerland considers that concluding the negotiations is of utmost importance, both from a sustainability perspective in line with our mandate contained in SDG 14.6 and for the relevance of the WTO by demonstrating its capacity to address 21st century challenges. From Switzerland's perspective, we consider that the main elements required to build landing zones are contained in the Chair's draft text. The basic building blocks are there, but more constructive engagement is needed on outstanding issues. We encourage Members to work closely with each other to establish where common ground could be found and included in a further revision of the Chair's text.
- 4.95. As regards your second question, artisanal fishing is clearly a major concern for many Members. These are often the most isolated and vulnerable fishing communities, and policymakers have few options to support them. As such, we can agree that flexibility for artisanal fishing should be the main component of the special and differential treatment provided for developing and least developed country Members. However, if we really want to support artisanal fishers, other parts of the solution matter as well. One of the main challenges faced by many artisanal fishers is competition from larger vessels. It is therefore important to elaborate efficient disciplines on harmful subsidies to larger fleets. Robust transparency and notification obligations, applicable also to artisanal fleets, are equally important and due policy attention should be given to them.
- 4.96. The new obligations arising from this agreement could be a real challenge for a number of resource-constrained Members. Assisting them through instruments targeted at the implementation of the commitments made whether through the trust fund mentioned in Article 7 or through other relevant instruments, could help achieve the desired objectives. We will evaluate the support we can bring to this effort. It goes without saying that our delegation will contribute constructively towards an early conclusion of the negotiations.
- 4.97. So, to recap, our answers to your questions are "yes" and "yes". We remain confident that, with your leadership, we can make the last step to achieve the first multilateral trade agreement to address sustainability concerns in a direct manner. Finally, let me recall that goodwill, flexibility and concessions from a number of Members are prerequisites to the successful conclusion of an ambitious agreement in line with our UN mandate at MC12, if not before. Along the negotiation process, Members should not forget the beneficial impact such an agreement would have on future generations. Preserving marine resources is certainly a matter of concern to all of us, shared by the global community.

- 4.98. H.E. Mrs. Peseta Noumea Simi, <u>Head of Delegation of Samoa</u>, provided the following statement:
- 4.99. At the outset, we align with the statements of the Pacific and ACP Groups. The Pacific peoples are stewards of the world's largest oceanic continent the Pacific Ocean. It is the lifeblood of our economies and societies. In response to your first question, Samoa reaffirms its commitment to conclude this negotiation and if possible, ahead of the Twelfth Ministerial Conference. However, we must ensure that we conclude a balanced Agreement. Despite our non-residency in Geneva, we commit to contribute to the flexibility needed to conclude the negotiations including remotely, and with the support of the Pacific Islands Forum Office in Geneva. We welcome the positive changes in the 30 June revised Chair's text but note that the contentious issue relating to the hybrid approach remains. In order for Samoa to consider the text as basis to conclude the Agreement, this imbalance must be addressed with the following suggestions.
- 4.100. First, Samoa is of the view that a mechanism to reduce subsidies must be ingrained in the fisheries subsidies agreement for the sustainability of global fish stocks. Furthermore, meaningful Special and Differential Treatment for developing and LDC Members must match the hybrid approach. Second, there must be assurance in this Agreement that fisheries management measures cannot be scrutinised or challenged in the WTO. This includes exemption on important fisheries management tools such as pricing of fishing access through allocation of licences, fishing rights or quotas. Third, Transparency will be an important element of the final agreement. Our biggest concern with the current provisions is that there is no proportionality.
- 4.101. The catch data by species is a reasonable ask for a large commercial fishery especially if it is providing a \$50 million subsidy. It is not a reasonable request for an artisanal or subsistence fishery, as is the case in the Pacific. We have communities that are scattered across vast spans of the oceans whose livelihoods and health depend on the sea. It is not practical to ask a small administration to provide for every fishery it manages. Samoa would like to emphasize that the text must not be overly focused on reporting on fisheries management issues, which is not the mandate of WTO. Furthermore, Transparency must be applied proportionately and exclude small-scale artisanal fishing which are not the main cause of overfishing.
- 4.102. In response to your second question, Samoa reiterates that the outcomes on the fisheries subsidies negotiations must respect the SDG 14.6 and WTO Ministerial mandate, to prohibit harmful fisheries subsidies and provide Special and Differential Treatment for Developing and LDC Members. We are encouraged that artisanal fishing is recognised as a key component of Special and Differential Treatment. However, we seek an expansion of this recognition to cover small-scale fishing. In addition, Samoa has little fishing capacity, requiring policy space to allow us to develop our fishing sector. As such, Special and Differential Treatment cannot be limited to artisanal fishing and should include small scale fishing; and the exemption for small fishing nations based on a threshold of volume of catch. We are willing to negotiate this threshold to an acceptable level.
- 4.103. And finally, while we support the principle of transparency, different levels of development of Members must be taken into account. Transparency obligations should not be onerous for small Members and for small scale fishing sector and should not be a condition for invoking S&DT.
- 4.104. H.E. Mr. Zayed R. Alzayani, <u>Minister for Industry, Commerce and Tourism of the Kingdom of</u> Bahrain, provided the following statement:
- 4.105. The Government of the Kingdom of Bahrain highly values the effectiveness of an open and rules-based multilateral trading system in contributing to global economic development and prosperity. As such, the Kingdom of Bahrain remains a staunch supporter of the WTO and will do its utmost to support you in your mandate. I wish you every success and look forward to working closely with you and continuing our strong collaboration with the WTO.
- 4.106. The Kingdom of Bahrain highly values the importance of safeguarding the world's fisheries resources and, in turn, the livelihoods of the world's fishing communities. In this regard, the Kingdom of Bahrain prides itself on having undertaken various initiatives through the introduction of multiple decisions under the Decree Law Number 20 of 2002 regarding the regulation of fishing, exploitation and protection of marine wealth, which aim to preserve marine wealth and fish stocks, whilst also combatting overfishing.

- 4.107. Furthermore, in order to reduce the potential adverse impact of fishing on the marine environment, the Kingdom of Bahrain introduced a number of marine and terrestrial sites to establish fish farming projects and encourage private sector investment. As such, the Kingdom of Bahrain renews its commitment to the success of these negotiations and the continued strength of this Organization.
- 4.108. In response to the questions provided by the WTO Secretariat, allow me to begin by reaffirming the Kingdom of Bahrain's unwavering commitment and firm support for a successful conclusion of the fisheries subsidies negotiations by the end of this year. As always, the Kingdom of Bahrain commits to its engagement in the negotiations with a spirit of good will, a flexible approach, and an attitude of openness. In this regard, the Kingdom of Bahrain would like to take this opportunity to express and highlight its main priorities with respect to the proposed text on fisheries subsidies, for the consideration of the Committee.
- 4.109. Firstly, in terms of scope, our delegation reiterates its position with regards to its request for the horizontal exclusion of artisanal and small-scale fishing without geographical limits for all Members. Furthermore, the Kingdom of Bahrain submits for the deletion of paragraph 1.2 under Article 1, pertaining to the scope of the proposed text, as the potential insertion of such a paragraph adds a critical element of a horizontal nature which would have systemic implications in the dispute settlement process that goes beyond fisheries subsidies in the subject matter of the negotiations.
- 4.110. Second, with regards to the important and indispensable pillar of special and differential treatment, which forms an integral part of the negotiations, and in response to the second question posed by the WTO Secretariat, the Kingdom of Bahrain renews its position with respect to ensuring such special and differential treatment for the benefit of developing and least developing country Members, with a particular emphasis on opposing the narrowing down of such treatment to certain types of fishing, or to exemption periods, geographical limitations, or technical assistance only.
- 4.111. I take this opportunity to renew our delegation's commitment and readiness to engage with our fellow WTO Members in order to ensure a successful and equitable outcome on the topic of fisheries subsidies by the end of this year. Before I conclude, allow me once again to express our gratitude to yourself and the WTO Secretariat for your continued support and assistance throughout this process, and to H.E. Ambassador Santiago Wills for his able guidance in chairing the fisheries subsidies negotiations.
- 4.112. H.E. Mr. Alan Ganoo, <u>Minister for Land Transport and Light Rail and for Foreign Affairs</u>, <u>Regional Integration and International Trade of Mauritius</u>, <u>also speaking on behalf of the African Group</u>, provided the following statement:
- 4.113. The African Group has always shown flexibility during these negotiations. We remain constructively engaged in the process to find a balanced outcome that: through the prohibition of harmful subsidies will eliminate IUU fishing, and overcapacity and overfishing; protect the vulnerable artisanal and subsistence fishers; and grant African countries the necessary latitude to develop their fisheries sector and reap the benefits of the ocean economy. Moreover, SDG 14.6 should be central to any final outcome. In view of the irreversible damage caused by harmful subsidies, the statusquo is not an option! We owe it to ourselves and to future generations to conclude a meaningful agreement that fulfils the MC11 mandate as soon as possible.
- 4.114. While acknowledging progress made in recent times, we note that significant gaps on core issues of interest to the African Group remain. We welcome the removal of time limits on S&DT for artisanal and subsistence fishing. We also commend you, Director-General, for the new technical assistance provision relating to the setting up of a voluntary funding mechanism. This is, however, inadequate for a balanced text.
- 4.115. The African Group has always highlighted the essential contribution of artisanal fishing to food security and livelihoods, especially in coastal communities. Given the reliance on fishing for these vulnerable groups, their exclusion from the scope of the agreement is essential. In Africa, these fishers represent less than 1% of global fisheries subsidies and if this agreement is about subsidies, support targeted at this category of fishers is clearly not significant. Our focus in these negotiations should be on subsidies provided to large scale industrial fishing.

- 4.116. Turning to S&DT which is a core component of WTO agreements, African countries need policy space to develop their fisheries. With a mere 2.44% of the global fisheries subsidies, our countries should not be made to bear the brunt of the disciplines, as we do not contribute in any significant manner to harmful subsidies. S&DT must be effective to enable us to leverage our resources for economic development, it cannot be time limited or confined to artisanal and subsistence fisheries, and limited to technical assistance or capacity building. For the agreement to achieve the requisite balance, it must be premised on the principle of common but differentiated responsibility.
- 4.117. It is appropriate to recall that the purpose of the agreement is to prohibit the most harmful subsidies. Article 5.1 provides a non-exhaustive list in this regard. However, through the "hybrid approach" under Article 5.1.1, rather than reinforcing the prohibition, the agreement provides a conduit for maintaining subsidies as there is no obligation of results. In its current form, the agreement would legitimize the practice of granting harmful subsidies rather than contributing to the sustainability objectives. We need to see the requisite changes in Article 5.1.1 that address our concerns and support the mandate. We further remain unconvinced that providing capacity enhancing subsidies for fishing and fishing related activities in an overfished stock can be beneficial or indeed, promote the sustainability of the stock. This approach is clearly in conflict with our mandate.
- 4.118. The African Group re-affirms the view that a fisheries subsidies agreement should not alter the sovereign rights of members covered by existing international agreements. For instance, the primacy of coastal states in IUU determination remains critical for us. Furthermore, the agreement should ensure that determinations made, indeed lead to a prohibition of subsidies. Leaving discretionary power to the subsidizing members would render any agreement ineffective. We note that provisions have been included to ensure that territorial claims and delimitation of maritime boundaries are not addressed by the WTO. Indeed, the WTO is neither the right forum nor does it have the competence to deal with such issues. We believe that the language needs to be tightened to quarantee no interference in sovereignty matters.
- 4.119. To conclude, let me highlight that the conclusion of this agreement necessitates flexibility from all sides but more particularly from those who contribute to overfishing and overcapacity through harmful subsidies. The negotiations should not seek to bring the management programmes of members under WTO scrutiny. I once again express the commitment of the African Group to the negotiations and to concluding a balanced and meaningful outcome that contributes to the attainment of SDG 14.6 and that meets our developmental objectives.
- 4.120. Mr. John C.C. Deng, <u>Trade Representative of the Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu</u>, provided the following statement:
- 4.121. We agree that fish stocks are our common patrimony. As a committed member of the international community, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu has actively participated in international fisheries organizations to ensure their sustainability. We have also strengthened our efforts to combat IUU fishing, by enhancing our fisheries management and by signing 21 cooperation arrangements. We recognize that reaching an agreement on fisheries subsidies ahead of MC12 is of the highest priority. We consider that the Chair Text provides a solid basis for further negotiations.
- 4.122. The Preamble to the WTO Agreement explicitly lays out the objective of sustainable development and the need to protect and preserve the environment. We agree wholeheartedly that sustainability should serve as the fundamental principle guiding the fisheries subsidies negotiations, and that issues of overfished stock, overfishing, and overcapacity should be discussed with this overarching goal in mind. While sustainability is our common goal, we also note that as policymakers we should strive to strike a balance between conservation and the protection of vulnerable communities. We understand that each Member has its own vulnerable fishing communities, whose well-being must also be taken into account. And since IUU fishing is most detrimental to fisheries sustainability, we urge to remove such subsidies completely.
- 4.123. Finally, allow me to make a few comments on transparency. We recognize that notification facilitates transparency. Currently, the Chair Text contains many new notification elements. We believe that these new notification rules should take into account the complexity of the Members'

domestic subsidy regimes and allow for flexibility in the implementation. Furthermore, consistent with SCM notification principles, the notifications themselves should not prejudge its legal status and effects under the WTO Agreements or the nature of the measure itself. We trust that these considerations would not undermine the Chair Text's level of ambition, but greatly ease the concerns of many Members. I have authorized my Head of Delegation to make the greatest efforts to work with other Members to successfully conclude the negotiation.

- 4.124. Mr. Edward Yau, <u>Secretary for Commerce and Economic Development of Hong Kong, China,</u> provided the following statement:
- 4.125. The rise of protectionism in recent years, coupled with a growing resistance to globalization, has undermined the trust and credibility of the rules-based multilateral trading system, with the WTO at its core. Hong Kong, China (HKC) fully supports the Director-General's call for an early conclusion of this marathon negotiations in order to demonstrate the commitment across the membership towards this institution and the rules-based multilateral trading system.
- 4.126. The latest draft consolidated text could not be achieved without the constructive spirit embraced by Members. It also provides a solid basis for further negotiations with a view to reaching a consensus. That said, we note that Members' positions on some of the fundamental issues remain divided, and that certain proposals catering for individual Members' unique circumstances may not have been fully reflected. Insofar as HKC is concerned, we believe further work is required to develop creative solutions to address our unique circumstances relating to the issues of flying of flags by fishing vessels and legitimate fishing activities conducted in waters beyond our jurisdiction. We also have systemic concerns about the inclusion of non-specific subsidies in the scope.
- 4.127. As regards special and differential treatment, HKC acknowledges the special concerns of developing country Members and least-developed country Members over the necessity to support "poor and vulnerable artisanal fishers". We support a pragmatic approach that would allow these Members to contribute to the fullest extent of their capabilities and to develop their fisheries sector in a sustainable manner. We look forward to constructive engagement with all Members on proposals that could resolve these differences, be it a component for S&DT or, as some Members have suggested, a basis for exclusion from the disciplines.
- 4.128. For HKC, notwithstanding our developing status, we are not using any S&DT in existing WTO agreements, and we always strive for high-level commitments in the WTO commensurate with our capability. Conclusion of the long overdue fisheries subsidies negotiations is clearly an important deliverable of MC12. As always, HKC will continue to fully commit to the negotiations and contribute constructively in the process. Our Permanent Representative will continue to have my full support in this regard.
- 4.129. H.E. Mr. Otunba Richard Adeniyi Adebayo, CON, <u>Honourable Minister for Industry, Trade and Investment of Nigeria</u>, provided the following statement:
- 4.130. I have no doubt that, with intensified engagement from now on, Members would be able to make the progress that is required to achieve a successful outcome by MC12. Notwithstanding the fact that we have already missed the 2020 deadline, I wish to assure you of Nigeria's support and commitment to proactively engage with all Members towards achieving a balanced outcome in line with our mandate, "to conclude an agreement to prohibit certain forms of fisheries subsidies that contribute to overcapacity and overfishing, and eliminate subsidies that contribute to IUU fishing, and refrain from introducing new such subsidies, recognising that appropriate and effective special and differential treatment for developing and least developed country Members should be an integral part of the WTO fisheries subsidies negotiation".
- 4.131. On that note, let me now directly respond to the two questions that you, Director-General, and the Chair of the Negotiating Group on Rules have posed to us. On question one, Nigeria believes that the progress that we have made so far, as contained in the revised Draft Consolidated Text of 30th June 2021, provides a good basis that could take us to a successful conclusion; and we are happy to work on that basis while ensuring that the mandate of the negotiation is substantively achieved in a balanced manner.

- 4.132. On the second question, Nigeria believes that small scale and artisanal fishers should be exempted from the scope of the fisheries subsidies disciplines. We are also happy to negotiate on appropriate special and differential treatment provisions for developing and LDC Members. Finally, let me assure you, Director-General, that in view of the technicalities involved in the fisheries subsidies negotiations, as well as the urgency to expeditiously make progress, Nigeria's participation would, from now on, also involve engagement by Senior Officials from my Ministry and the Federal Ministry of Agriculture and Rural Development.
- 4.133. H.E. Dr. Rashidi Said, <u>Permanent Representative to the WTO of Malaysia</u>, provided the following statement:
- 4.134. Given the current uncertainties and challenges facing the world, the need to ensure that food is readily available has become a paramount concern globally. In Malaysia, fish and fisheries products are the leading sources of protein for the population. Thus, Malaysia places paramount importance to this sector by ensuring that fisheries resources are harvested in a rational manner to ensure their sustainability. Furthermore, Malaysia remains committed to achieve an outcome in the fisheries subsidies negotiations in line with the mandate that has been agreed upon during the Buenos Aires Ministerial Conference in 2017.
- 4.135. That said, Malaysia is of the view that there remains a significant difference in the landing zone of Members' ambitions for the Agreement. While Malaysia is committed to conclude the negotiations as soon as possible, we are uncertain that the current consolidated draft text addresses some of Malaysia's pertinent concerns. To begin with, we are deeply concerned with the direction of the current draft text, particularly on the inclusion of non-specific subsidies within the meaning of Article 2 of the SCM Agreement in Article 1.2 of the draft text. We are of the firm opinion that the disciplines on fisheries subsidies should address only specific fisheries subsidies. Likewise, we are doubtful whether the current text on overcapacity and overfishing (OCOF) could resolve the issue of overfishing and overcapacity without depriving the rights of developing and least developing country (LDC) Members to develop their fisheries sector in order to utilize unexploited fisheries resources. On the other hand, the text seems to accord immense flexibilities to Members with more advanced technologies and abundant economic resources. Additionally, the current formulation of special and differential treatment (S&DT) provisions does not address the needs of developing and LDC Members, and we are specifically concerned with the short transitional period as proposed in the text. We are also concerned with the insertion of the term "operator" that has no proper definition under any fisheries related international treaties. We do not want history to repeat itself when the terms "artisanal fishing and small-scale fisheries" caused a deadlock to the negotiations.
- 4.136. On the issue of S&DT, it is evident that development is central to this organization. Over three quarters of WTO members are developing Members and Members in transition to market economies. The provisions of the GATT allow for special assistance and trade concessions for developing and LDC Members. Therefore, Malaysia holds the view that it would be premature to conclude that S&DT in the context of the fisheries subsidies negotiations is confined to poor and vulnerable artisanal fishers in developing country and LDC Members. Instead, it should also provide flexibilities to Members that have yet to develop their fisheries sector, to develop it in line with their food security policies or modernization of fisher community.
- 4.137. In this regard, the aim to conclude the negotiations ahead of MC12 seems unrealistic. While we work steadfastly to conclude the negotiations, the importance of positioning fisheries in the context of food security and national economy for many Members cannot be overstressed. For this reason, we hold the view that the outcome of this negotiations must reflect the WTO principles of non-discriminatory trade, predictability and transparency, fair competition, and encouraging development and economic reform. Having said that, Malaysia reaffirms our commitment to work towards concluding the negotiations to be adopted by the next Ministerial Conference as per the mandate. We remain ready to fully participate in the negotiations including to accord the necessary flexibilities to our Head of Delegation in Geneva with further guidance from Capital as and when required.

- 4.138. H.E. Mr. Jens Frolich Holte, <u>State Secretary for the Ministry of Foreign Affairs of Norway</u>, provided the following statement:
- 4.139. On your questions: yes, Norway can confirm our intention to conclude the fisheries subsidies negotiations this year, and we agree that the landing zones are covered by the draft text. We have been flexible throughout the negotiations and will continue to be so. We will actively and as creatively as possible participate to find text that leads us to consensus. On your second question, we can say yes, we have no problem in agreeing that the key component of special and differential treatment is for poor and vulnerable fishers in developing country Members and LDC Members. We have also no problem in recognizing and supporting that many developing country Members have development objectives to increase their capacity to fish. In this respective Norway through our Fish for Development Program works with partners to increase capacity.
- 4.140. I wish to take this opportunity to underline some fundamentals needed in the subsidies disciplines so that we achieve our sustainable development goal. The largest fisheries nations have the largest impact on our global fisheries resources. Many of them are also large subsidizers. They must therefore be the first to take on the strictest commitments to fish and subsidize sustainably. I count Norway among the largest and we have for many years worked to reduce and eliminate subsidies. Taking into consideration that approximately 80% of marine fish production is captured within the Exclusive Economic Zones, we cannot cut out large parts of the oceans, namely the EEZs, from the disciplines. I would also like to emphasize that transparency is important and that all members need to notify their fisheries subsidies. Transparency is in itself a tool that will help to curtail harmful subsidies.
- 4.141. To conclude, we fully recognize that implementation of disciplines can be challenging for many Members. With the disciplines in hand, we will work with all partners, including FAO, the World Bank and UNEP, to ensure that fisheries programs also take into consideration members' WTO commitments.
- 4.142. The representative of <u>Egypt</u>, speaking on behalf of H.E. Mrs. Nevin Gamea, <u>Minister for Trade and Industry of Egypt</u>, provided the following statement:
- 4.143. We associate ourselves with the statement delivered by H.E the Minister for Foreign Affairs, Regional Integration and International Trade of Mauritius in his capacity as the coordinator of the African Group. I hope that our exchanges today would provide our delegations with a clear roadmap for the work that remains to be done to ensure the successful conclusion of our overdue Agreement on Fisheries Subsidies. Addressing the questions circulated to guide our discussions today, Egypt reiterates its full commitment to constructively work with all members in a spirit of flexibility and compromise to reach a meaningful and balanced outcome on Fisheries Subsidies as soon as possible ahead of the twelfth WTO Ministerial Conference.
- 4.144. While Egypt notes some positive changes in the latest version of the draft consolidated text circulated by the Chair of the Negotiating Group on Rules in June, we are of the view that some of the basic elements of the landing zones necessary to reach a conclusion can benefit from deep discussions and further flexibilities from the membership. Among such elements are the provisions relating to Special and Differential Treatment (S&DT). I would like to stress that for Egypt appropriate and effective S&DT is an instrumental element to bring us to an agreement. It is our view that the proposed provisions shall not be discussed in isolation from the overarching objectives of the Sustainable Development Goals aiming at environment sustainability in parallel to achieving sustainable economic development, food security and raising living standards.
- 4.145. This takes us to the second question which we believe confines Special and Differential Treatment to the protection of artisanal fisheries in developing and LDC Members. In this respect, Egypt has always been a strong advocate for the exemption of subsidies to the Artisanal and Small-Scale Fishing from any disciplines, for its no or minimal impact on fish stocks' sustainability on one hand, and its direct bearing on food security, employment and economic development on the other hand. Nonetheless, Egypt views that such limitation narrows down the scope of Special and Differential Treatment that is instructed by our heads of states in SDG 14.6 to be "appropriate and effective", which in our understanding shall translate into real flexibilities enabling Members to develop their fisheries sectors.

- 4.146. Egypt supports a non-time-bound exemption of Artisanal and Small-Scale fishing activities from any disciplines, while continuing our discussions on appropriate and effective Special and Differential Treatment to developing and LDC Members, giving due consideration to their capacity constraints and the need not to overburden them with burdensome transparency requirements. To conclude, Egypt reiterates its commitment to work towards the conclusion of a balanced and meaningful outcome that contributes to achieving SDG 14.6, meets our development goals and avoids any systemic imbalances that might undermine the ultimate goal we are seeking that is prohibiting most harmful subsidies.
- 4.147. H.E. Dr. Thani bin Ahmed Al Zeyoudi, <u>Minister of State for Foreign Trade of the United Arab Emirates</u>, provided the following statement:
- 4.148. As you know, the UAE is considered as a major trade hub in the region, owing to our strategic geographic location and world-class logistics infrastructure. We believe that the protection of local resources, including the fisheries industry, along with infrastructure are key enabler of the UAE's economic growth and development, and is critical to the facilitation of international trade. The UAE is also committed to realize the 2030 Sustainable Development Agenda, especially SDG14, as well as the Ministerial Decision at the upcoming Twelfth WTO Ministerial Conference (MC12) to prohibit illegal, unreported and unregulated fishing. We are also of the belief that urgent actions are needed to address and resolve overcapacity or overfishing.
- 4.149. The UAE has never hesitated, so far, to join consensus in practically all previous discussions, this stems from our firm belief that a negotiation process should be inclusive, transparent, equitable, balanced and to the best interest of all parties, in particular developing and LDC Members. Because of the time constraint, I will not go through all our concerns, but careful attention should be clearly given to Special and Differential Treatment, small scale/livelihood fishing, targeted capacity building and technical assistance, clear and agreed disciplines and principles to be covered by the Dispute Settlement Mechanism, among other things. We all need to preserve and strengthen our multilateral trading system, and in particular, the long-awaited reform of the WTO Rules that will govern the new era of trade, especially following the pandemic. 2021 should represent a new beginning for us and our coming out from a tough year with strong determination and optimism to find solutions no matter how difficult the challenge may seem.
- 4.150. With regard to the commitment to conclude the fisheries subsidies negotiations, rest assured that the UAE shares the strong sense of optimism that we will conclude the negotiations by the upcoming Ministerial Conference MC12. Having said that, and welcoming the changes introduced to the revised balance text, there are few areas that need to be reconsidered: Article 1.2 related to the fuel subsidies, we would propose the deletion of that paragraph, as it does not affect the standing text in its structure and substance. In Article 3, we have to be fair for the operator (the owner of the vessel), 3.1 and 3.2 needs to either clarify the matter or just replace it with the vessel. In Article 8, related to the notification process. We very much understand that it is part of the transparency process but there is a long-detailed list of elements to be notified which would form a huge burden on Members. We need to review those elements of the notification to make sure that all member states will be able to notify once the agreement entered into force.
- 4.151. We also would prefer, stemming from institutional and substantive reasons, that any agreement we arrive at, should be annexed to the existing Subsidies and Countervailing Measures Agreement. To this end, and in response to your request, I am prepared to fully authorize our delegation in Geneva to contribute to the flexibility needed to conclude the negotiations and we are coordinating and exchanging views on a regular basis. The UAE is committed to conclude the fisheries subsidies negotiations and we confirm the basic element of the landing zones necessary to reach a conclusion are contained within the current draft revised text. I would like to assure you of our availability and readiness to work closely and constructively, and we look forward to reaching a broad consensus and a satisfactory outcome by the upcoming Ministerial Conference.
- 4.152. H.E. Mr. Omar Hameed, <u>Joint Secretary WTO Wing for the Ministry of Commerce of Pakistan</u>, provided the following statement:
- 4.153. It is our government's stated objective to lead Pakistan on a path of sustainable development by combating global climate change and ushering green technologies. I, therefore, assure members of our commitment to the mandate under SDG 14.6 and MC11, to achieve meaningful and balanced

disciplines on fisheries subsidies while ensuring appropriate and effective Special and Differential Treatment for developing and LDC Members. Pakistan is a relatively small player in global fisheries trade. Nevertheless, this sector's contribution and importance is critical. Our coastline of one thousand kilometres and an Exclusive Economic Zone spanning three hundred thousand square kilometres, provides livelihoods to around 1 million coastal families and many more inland inhabitants through marine resources and fishing related activities.

- 4.154. For this reason, we have always argued for the removal of small-scale, artisanal fishing from the scope of disciplines in the agreement. To answer one of the questions for today, this is not a flexibility under Special and Differential Treatment, but a carve out from the entire agreement being an issue distinctly beyond our mandate, which is to prohibit heavy subsidies causing irreparable harm.
- 4.155. On S&DT, Pakistan is consistently and very strongly of the view that without effective provisions, a conclusion of the agreement would be in jeopardy. This means effective, unconditional, and undiluted flexibilities for developing and LDC Members in all areas of disciplines except for illegal fishing. Unfortunately, the present drat text makes S&DT conditional upon transparency requirements and dilutes it to something only notional in effect. This approach can severely limit our progress in negotiations. Countries like Pakistan are trying to develop, upscale and modernise fishing capacities, improve regulation and management and make the sector a sustainable source of development. For that, we need effective policy space in all pillars of negotiations.
- 4.156. The current reading of the text seems to have inverted our original mandate on its head. While S&DT for poor countries is made to look like a controversy, allowances and carve outs are being provided to large subsidisers in the name of sustainability. This can only result in an outcome which maintains a harmful status quo for global marine resources, with no improvements in sustainability or development. Thus, to address the question of the text, we see it as regressive and unbalanced, not accounting for the diversity in views of members. While my delegation will engage meaningfully and constructively, a continued neglect of opinions on fundamental issues such as those I and several members have highlighted, will only widen our divide, and take us away from any landing zones.
- 4.157. In conclusion, I urge everyone to consider outcomes that do not place us in perilous situations a further 20 years down the road, similar to those we face today due to our mistakes in the Uruguay Round. Let us do something meaningful for our future generations, for the environment and for development.
- 4.158. H.E. Mr. Piyush Goyal, <u>Minister for Commerce and Industry of India</u>, provided the following statement:
- 4.159. Looking at the enormity of the situation and the fact that we don't have the third session, I will need to express myself in somewhat greater detail. India is very keen to finalize the agreement because irrational subsidies and overfishing by many countries is hurting Indian fishermen and their livelihood. However, I am disappointed to note that we are still short of finding the right balance and fairness in the agreement. Let me share my views on the problem areas.
- 4.160. First, we should not repeat the mistakes made during the Uruguay Round that allowed unequal and trade-distorting entitlements for select developed Members, particularly in agriculture, while unfairly constraining less developed members who did not have the capacity and resources to support their industry or farmers then. Fisheries are a common endowment to humanity, a global public commons. Therefore, the sharing of this should be in an equitable and just manner. Any unbalanced or unequal agreement would bind us into current fishing arrangements which may not necessarily meet everyone's future requirements. As we discuss sustainability, it is essential that big subsidizers take greater responsibility to reduce their subsidies and fishing capacities, in accordance with the principles of 'Polluter Pays' and 'Common but Differentiated Responsibilities'.
- 4.161. Any agreement must recognize that different countries are at different stages of development and current fishing arrangements reflect their current economic capacities. Needs will change with time as countries develop. Any agreement will have to provide for balancing current and future needs. This imbalance between members is visible in current capacities to exploit fisheries in domestic waters and the high seas. The per capita fisheries subsidy given by most developing

country Members is minuscule compared to advanced fishing nations. Countries like India who are yet to develop fishing capabilities, cannot be expected to sacrifice their future ambitions, while protecting those members providing huge subsidies and overexploiting fisheries resources and continue to engage in unsustainable fishing. Therefore, it is imperative to preserve space for growth in fishing capacities of the developing world for the future without locking them into disadvantageous arrangements in perpetuity.

- 4.162. Second, the sustainability-based approach in the Overcapacity and Overfishing pillar in the current form will create significant inequity for developing countries. Clearly, it will lead to capacity constraints for developing countries, while advanced nations will continue to grant subsidies. This is unequal, unfair and unjust.
- 4.163. Third, if non-specific fuel subsidies are not brought under disciplines, another major disparity will be introduced by large harmful subsidies outside of all disciplines.
- 4.164. Fourth, giving special treatment to non-recovery of subsidies under Government-to-Government fisheries 'access agreements' is akin to cherry-picking.
- 4.165. Fifth, any new agreement has to be seen in the context of existing international instruments and the laws of the sea. The sovereign rights of coastal States to explore, exploit and manage living resources within their maritime jurisdiction, enshrined in international instruments must be preserved. The determination by coastal States should be given primacy and not be subject to WTO dispute settlement mechanism.
- 4.166. Sixth, an important element of what India wants is appropriate and effective special and differential treatment (S&DT), in the true spirit as enshrined in the guiding principles of the Marrakesh Agreement. Limiting S&DT to poor and artisanal fishermen only is neither appropriate, nor affordable and not acceptable at all. S&DT has to be for a country as a whole. We need S&DT to not only protect livelihoods of poor fishermen but also to address food security concerns of a nation, have the necessary policy space for developing the fisheries sector and for the time required to put in place systems to implement the disciplines.
- 4.167. Finally, we still need to cover significant ground to make the text balanced, to meet the just concerns of developing and LDC Members. India will be submitting proposals very soon to address our concerns including incorporating 'common but differentiated responsibilities' in sharing this common endowment.
- 4.168. Protection of the environment is ingrained in the Indian ethos for ages and has been repeatedly stated by our Prime Minister Shri Narendra Modi. India is committed to conclude the negotiations, so long as it provides for balancing current and future fishing needs, preserving space for equitable growth in fishing capacities in future, and effective S&DT without any imbalances.
- 4.169. H.E. Dr. Sansern Samalapa, <u>Vice Minister for Commerce of Thailand</u>, provided the following statement:
- 4.170. The sustainability of global marine resources is in grave jeopardy as we speak. Therefore, in response to the first question, Thailand urges that outstanding pending issues which put Members far apart be resolved rapidly. Thailand strongly commits to reach the conclusion as soon as possible. Having said that, Thailand welcomes the revised draft consolidated chair text which employs key elements namely: (1) prohibiting subsidies to IUU fishing; (2) emphasizing on sustainable fisheries management and (3) providing special and differential treatment for developing country Members, and LDC Members.
- 4.171. I believe these elements can pave the way towards agreeable landing zones. It is worth reiterating that the sustainability element contained therein strikes the proportionate balance between safeguarding fish stocks and creating necessary policy space for Members to develop the fishery sector sustainably. Having said that, I have instructed my Ambassador to WTO to provide necessary flexibility for concluding the negotiations based on the current text.
- 4.172. Turning to the second question, it is generally recognized throughout the negotiations that artisanal fishers are vulnerable and need a special treatment. Having limited fishing capacity, they

account for a small portion of global catch and are not major contributor to the fisheries unsustainability. Hence, disciplines should not be crafted in a way that worsens their livelihood conditions. This perspective has been continuously reflected in Thailand's position in negotiating the Overfished Stocks and Overcapacity and Overfishing pillars.

- 4.173. For the way forward, given the time constraints before MC12, Thailand supports using the current text as a basis to build convergences on existing issues. We must stay focused on the mandate. New issues shall not be introduced at this stage as we are approaching the finishing line. With that, Thailand is willing to support approaches deemed appropriate to reach a balanced outcome that replies both calls of sustainability and sufficient policy space.
- 4.174. H.E. Mr. Luc Magloire Mbarga Atangana, <u>Minister for Trade of Cameroon</u>, provided the following statement:
- 4.175. Cameroon aligns itself with the statements delivered by the African Group and ACP. Cameroon is mindful of the Director-General's relentless efforts to set a fund that may support developing country Members' implementation of this Instrument. We commend this idea and call to broaden the scope to support the development of infrastructure in fisheries sectors. Kindly rest assured of the support and engagement of our delegation to constructively work with you and all delegations in reaching a fair, balanced and effective Agreement in line with the mandate given by us, Ministers. I would now like to make the following comments in response to the questions that you asked us: first question: Cameroon would like to add a nuance of substance to the formulation of this question, which posits that overcapacity and overfishing are mainly caused by a lack of sustainable management rather than by subsidies.
- 4.176. Cameroon would like to draw your attention to what it believes is obvious, namely that the fishing fleet of all the African States put together is by far inferior to that of the main Member State subsidizers considered individually, even though Africa is, in terms of surface area, the second largest continent in the world. In other words, these States each have capacities far beyond the resources of their waters. For this reason, we, the Ministers of Trade of the Member States, have continued to request that a certain number of harmful subsides be banned, in light of the sustainable management efforts made by other organizations such as FAO, which are undermined by the unbridled practice of subsidization. The current text, TN/RL/W/276/Rev.1, deserves to be reworked, since it does not ensure an effective ban on certain subsidies as prescribed by the mandate, but requires that subsidies be accompanied by sustainable management measures.
- 4.177. Cameroon therefore encourages the Negotiating Group Chair to open the text and incorporate the following four aspects: the effective prohibition of certain subsidies in Article 5; recognition of the primacy of coastal States with regard to the ascertaining of violations in their waters, in accordance with the rules of international law on this subject; the guaranteeing of effective sanctions against operators and vessels guilty of illegal, unreported and unregulated fishing; the application of the polluter-pays principle in respect of the responsibility and obligations of the Parties. On this basis, and with everyone's cooperation, we believe that the key elements of an agreement would be in place. This is achievable with a bit of good will from all sides and would enable us to meet the deadlines. This is what Cameroon wishes and hopes for.
- 4.178. On the second question, Cameroon wishes to reaffirm that it does not see artisanal fishing as part of this Agreement and therefore requests that it be excluded from the scope of the text, since this type of fishing plays a role in food security, employment policy and poverty reduction in our States. The issue here is, without a doubt, industrial fisheries. In this light and given the need for developing and LDC Members to support their fisheries sectors, the necessary flexibilities should be granted to them by way of special and differential treatment, rather than placing emphasis on the possibility of technical assistance. Overall, we believe it is vital to ensure an inclusive and transparent negotiating process that gives each Party equal consideration.
- 4.179. Lastly, I would like, once again, to highlight the relevance of the rendezvous and review clause proposed by Cameroon, which in no way dilutes the expected stability and predictability of an international instrument of this kind, but, on the contrary, is likely to favour the engagement of States because of the flexibility it creates. In the light of all these elements, we have given renewed instructions to our delegation in Geneva to proceed with the required adjustments and to achieve,

as soon as possible, an acceptable negotiating text that guarantees a fair, balanced and timely Agreement. We would like to assure you of our constructive engagement.

- 4.180. H.E. Ms. Esperança Maria da Costa, <u>Secretary of State for Fisheries of Angola</u>, provided the following statement:
- 4.181. For the Angolan government, it is urgent to reach a global agreement and consensual with a view to forbid subsidies that may threaten the fisheries sustainability and marine resource conservation. The commitment of the WTO of creating modules on fishing subsidies, is based on Development Agenda of Doha, 2001, and the negotiation mandate agreed in 2005, ever since there has been no significant progress on this matter. The fishing in Angola is a strategic sector for our economy, therefore it encompasses the entire population, especially the most vulnerable communities, this is a fact.
- 4.182. The fishing sector of many Members is linked to their economic development, poverty reduction and food security. Some Members see S&DT as a way to support the implementation of new disciplines and thus favour formulas such as transition periods, technical assistance and capacity building. Others see the goal of S&DT as providing political space to develop fishing capacity in a sustainable manner. This dichotomy represents the heart of the controversy.
- 4.183. The mandate is clear about special and differential treatment, says that adequate and effective special and differential treatment for developing and LDC Members must be an integral part of the WTO's fisheries subsidies negotiation, it does not mention any key component, nor is it aimed only at poor and vulnerable artisanal fishers, industrial and semi-industrial fishing in several countries like ours, lack development, we must keep the course of the negotiations within the limits of the mandate.
- 4.184. The Government of Angola reaffirms its full will and commitment to the conclusion of the agreement, the Permanent representations in Geneva (Heads of Delegation) have shown since the beginning of the agreement, the necessary flexibility for this purpose, acting within the limits established by the mandate. Which means that the flexibility they've already been given must ensure that the rules being negotiated neither affect the sovereign rights of members under relevant international law, including territorial integrity.
- 4.185. Our representation must be flexible as long as the agreement focuses on wild marine capture fishing and fishing activities at sea. To end, Angola appeals all member states of the World Trade Organization to put an extra effort in order to conclude this Agreement on the next Twelfth Ministerial Conference of the WTO, that will positively contribute to those who believe that global fair trade may become a relevant factor for economic and social recovery worldwide.
- 4.186. H.E. Mr. Dinesh Bhattarai, <u>Secretary for the Ministry of Industry, Commerce and Supplies of Nepal</u>, provided the following statement:
- 4.187. I associate with the statements delivered/to be delivered by Chad on behalf of the LDC group and Mongolia on behalf of the LLDC group. As a member of the WTO, Nepal has consistently emphasized on transparent, fair, predictable and rule-based multilateral trading system. Being guided by the sustainable development goals (SDGs), sustainable management of the natural resources is our common motto. The need to maintain disciplines on fishing and fisheries was realized more than two decades ago. The Eleventh Ministerial Conference of the WTO further underlined the need for regulating illegal, unreported and unregulated fishing, and subsidies that contribute to overfishing.
- 4.188. The proposed draft rule has made provisions on (i) prohibitions to subsidies for illegal, unreported and unregulated (IUU) fishing, (ii) prohibitions to subsidies that contribute to overcapacity and overfishing, (iii) special and differential treatment provisions for developing and LDC Members including others. These provisions will enable the resource-poor and small coastal countries heavily reliant on fishing to enjoy special benefits resulting from this rule. Similarly, the provisions of technical assistance and capacity building of LDCs and LLDCs are equally important. I am confident that such provisions complemented by other instruments will gradually ensure the reasonable stake of a land locked countries in the fish stocks of high seas. They will enable LLDCs

to have qualitative sea products in competitive price in collaboration with coastal countries and support from donor country Members.

- 4.189. Likewise, it is critically important that transition period of LDCs to enjoy the S&DTs in fisheries subsidies under this rule is proposed to extend to the graduating LDCs in their grace period for the sustainable graduation of LDCs due to systemic problems caused by COVID-19 pandemic. Our Delegation in Geneva is fully authorized to undertake necessary flexibility towards the successful conclusion of the negotiation on fisheries subsidies. Before I conclude, I wish to reiterate the Government of Nepal's support and readiness with needful flexibility to successfully conclude the negotiation by the upcoming MC12. In this regard, I expect full cooperation from all the members and active role of the WTO and other related international institutions.
- 4.190. The representative of <u>Morocco</u>, speaking on behalf of H.E. Mr. Moulay Hafid Elalamy, <u>Minister for Industry, Trade and Green and Digital Economy of Morocco</u>, provided the following statement:
- 4.191. This meeting focuses on disciplines on fisheries subsidies with a view to these negotiations culminating in an agreement at the Twelfth Ministerial Conference. We are optimistic because we believe that this is not only achievable, but that it is our duty and responsibility to reach an agreement in order to preserve our common heritage of living marine resources for future generations.
- 4.192. Replying to the first question, which is the subject of this meeting, Morocco underscores its commitment and attachment to working with other Members to complete these negotiations within the time frame. We believe that the Chair's text includes all the key elements to ensure convergence towards an agreement, subject, of course, to some improvements. To this end, whether through our delegation in Geneva or our experts in the capital, we are willing to show flexibility in the quest for consensus. We also call on other Members to do the same in order to reach a coherent and, above all, balanced text, taking into account the circumstances all the Members.
- 4.193. Regarding the second question, Morocco believes that the exclusion of artisanal fishing for developing and LDC Members would be the very least to be expected, or even a given that has no need to be negotiated or called into question, given the multi-faceted role of this category of fishery and its insignificant share of fisheries subsidies. Nevertheless, in keeping with an approach aimed at achieving a balanced outcome such as I have just highlighted, Morocco believes that other flexibilities can be considered by calling on our creative capacities.
- 4.194. I would remind you in this respect that the objective of these negotiations is to identify the subsidies that most affect sustainability; it has been shown, through scientific and economic studies, that these tend to be concentrated in industrial and large-scale fisheries. Logically, targeting subsidies in this category of fisheries through strong and restrictive disciplines would go a long way to achieving the objective of these negotiations. In this regard, Morocco reiterates its position that flexibilities should be conditional on the establishment of fisheries management systems capable of ensuring the sustainability of resources.
- 4.195. In conclusion, I wish to emphasize that Morocco attaches great importance to these negotiations and to the conclusion of an agreement on this matter, not only because of the importance of the fisheries sector to its economy, but above all because of its attachment to the multilateral trading system and its sustainability. The WTO must therefore maintain its capacity to produce rules.
- 4.196. H.E. Mr. Ahmed Ahan, <u>Director of International Cooperation Department Head of WTO National Committee of Qatar</u>, provided the following statement:
- 4.197. The State of Qatar is concerned by the fact that this organization has not been able to meet the deadline set by the Heads of State in the Sustainable Development Goal 14.6, which was to conclude these fisheries subsidies negotiations by the end of 2020. At the same time, we are encouraged by the progress made to date and the advanced stage at which the current discussions are taking place. The State of Qatar strongly supports all efforts to conclude these the fisheries subsidies negotiations as soon as possible ahead of the Twelfth WTO Ministerial Conference. The Ministerial Conference is an important milestone in our joint efforts to ensuring the conservation and sustainably use of fish resources.

- 4.198. In this regard, we are encouraged to see that all Members agree on the importance of addressing subsidies for illegal, unreported and unregulated (IUU) fishing and those subsidies that contribute to overcapacity and to overfishing, as well as to respect the mandate given to the WTO in 2015 by the United Nations Sustainable Development Goal 14.6. The State of Qatar considers that the basic elements of the landing zones necessary to reach a conclusion are present in the current draft text and, therefore, respectfully calls for urgent action to build on these common points to find a mutually acceptable agreement. While Qatar wants to make it clear that negotiations will still need to continue on the basis of the draft text on a number of important points, the State of Qatar is prepared to fully authorize the Heads of Delegation in Geneva to contribute to the flexibility needed to conclude the negotiations
- 4.199. The State of Qatar will be in a position to support and conclude the negotiations as long as the basic elements of conservation and sustainable use of fish resources and appropriate flexibilities have been taking into account and reflected in the text. In particular, the State of Qatar recalls that the mandate of our negotiations, as contained in SDG 14.6, expressly recognizes that appropriate and effective special and differential treatment for developing and LDC Members should be an integral part of any negotiated outcome. The adequate provision of such S&D treatment is needed to take account of and adequately protect the importance of the fisheries sector to economic development, poverty reduction, and improved livelihoods, and is essential to address food security concerns. In this respect, the State of Qatar considers that S&D treatment must be designed to protect poor and vulnerable subsistence and artisanal fishers in developing country and LDC Members. Therefore, it should not be time barred, but provided in justified situations on a continuing basis without interruption. Nor should there be any attempt at drawing a distinction between subsistence and artisanal fishing, which both should be protected through appropriate S&D treatment.
- 4.200. Finally, on the issue of fuel subsidies, the State of Qatar shares the view of other Members who are not in a position to accept the proposed inclusion of disciplines on fuel subsidies. Qatar considers that such disciplines are of a horizontal nature and therefore go beyond the scope of these negotiations. Indeed, the scope of these negotiations is to discipline specific subsidies relating to IUU fishing and those that contribute to overcapacity and to overfishing. This is not the appropriate context for discussing disciplines on matters not specific to such fishing activities.
- 4.201. In closing, the State of Qatar encourages all Members to remain open-minded, so that we may achieve the essential agreement by MC12. A balanced WTO agreement on fisheries subsidies would be an excellent opportunity to show the world that the WTO remains relevant to the important issues of today and that Members can come together to shape the issues of tomorrow in a way that keeps account of trade, conservation as well as, importantly, development concerns.
- 4.202. H.E. Mrs. Nomalungelo Gina, <u>Deputy Minister for Trade, Industry and Competition of South Africa</u>, provided the following statement:
- 4.203. South Africa is committed to a negotiated outcome that respects WTO mandates and SDG 14.6. We also recognize the enormous efforts, over many years, to deliver an outcome that is balanced and fair and that fully respects our mandate. The challenge of reconciling and balancing the political, policy, legal and technical divergences amongst Members is undoubtedly a complex one. While the current draft text contains the basic elements for concluding the negotiations, more work is required to deliver an acceptable and balanced outcome.
- 4.204. First, the text should confirm customary international law that gives primacy to coastal states to manage their resources and, therefore, national fisheries policies should be excluded from legal challenge under the WTO dispute settlement mechanism.
- 4.205. Second, the mandate requires that we develop rules to discipline illegal and harmful subsidies, not to develop sustainability frameworks that would create new imbalances in the WTO architecture. A "hybrid approach" can only be agreed if it avoids carve outs to the biggest subsidizing Members. Disciplines should target the subsidies that support large fishing fleets and large vessels that are overwhelmingly responsible for overfishing and over capacity.
- 4.206. Third, most developing countries are at early stages of developing their fisheries sectors; they do not contribute to overfishing and are in no position to provide the quantum of subsidies

provided by other Members. Most developing countries also hold substantial fisheries resources and will not accept rules that impede their ability to develop their "ocean economies" in a sustainable manner. In this respect the joint proposal from the Africa Group and ACP on S&DT should be incorporated in the text.

- 4.207. Highly constrained, one-size-fits-all approaches will not work. If we are serious about reaching an outcome soon, meaningful flexibility for developing countries that are consistent with the principles of special and differential treatment, common but differentiated responsibility and the "polluter pays" will be required. We underscore that the mandate of S&DT for developing countries must be fulfilled.
- 4.208. Developing countries have shown flexibility under very difficult circumstances. We are now at the point where other Members will need to show flexibility on S&DT to conclude the negotiations. Gaps remain and further technical work will be needed for a balanced outcome. A realistic work programme needs to be established with sufficient scope for interaction by our capitals to ensure transparency and inclusiveness. We can assess progress later in the year, before MC12.
- 4.209. H.E. Dr. Asim Ahmed, <u>Permanent Representative to the WTO of the Maldives</u>, provided the following statement:
- 4.210. Illegal, Unreported and Unregulated (IUU) fishing has compromised sustainable fisheries worldwide. The use of prohibited and harmful gear, overshooting of catch quotas, coupled with illegal poaching and deployment excessive fishing capacities has threatened the sustainability of fisheries. IUU fishing is one of the major challenges for fisheries managers and scientists to ensure that fish stocks are maintained at sustainable levels. It is even a bigger threat for well managed small-scale fisheries and coastal fishing communities like the Maldives that depend on the resources for their livelihood and gainful employment. Subsidies that contribute to overfishing, excessive fishing capacity and that which contributes towards the continuance of IUU fishing are also key drivers that has contributed towards the current status of fish stocks. To effectively change the status quo and move towards sustainable fisheries, it is crucial to remove harmful fisheries subsidies, it will have a positive impact on discouraging and eventually eliminating IUU fishing. This would be important, not only to maintain fish stock but will also have a profound impact on the future growth and productivity of sustainable fisheries.
- 4.211. According to the UN Food and Agriculture Organization (FAO), IUU fishing activities are responsible for the loss of 11-26 million tonnes of fish each year, which is estimated to have an economic value of USD10-23 billion. Poaching and encroachment from foreign flagged vessels is a major IUU threat to the Maldives. It is estimated that such vessels harvest in the range of 10-15 thousand tonnes of fish from the Maldivian EEZ annually. This indeed is a huge loss for countries such as the Maldives. What is even more concerning is that fishing fleets that are involved in IUU fishing activities are often supplemented by perverse subsidies issued by the flag government that further contributes towards to continuation and the growth of such activities.
- 4.212. Maldives is working at the national and regional level to stop degradation of the fisheries resources. The Fisheries Act of the Maldives enacted in 2019, formulates principles to prevent, deter and eliminate IUU fishing. We have also developed a National Action Plan to prevent, deter and eliminate IUU Fishing. This plan identifies action points to reduce the negative social, economic, and environmental impacts of IUU fishing in the Maldives, and of Maldivian vessels operating within and outside of Maldives' Exclusive Economic Zone (EEZ).
- 4.213. At the regional level to address overfishing, the Maldives actively participates in the Indian Ocean Tuna Commission and has put forward an ambitious plan to save the Indian Ocean Yellowfin Tuna, as studies have shown that the Yellowfin tuna in the Indian Ocean is overfished and is subject to continued overfishing. Scientists are warning that the stock could collapse within the next five years if fishing pressure is not reduced. The Maldives was able to reduce its catch by five percent in the recent years to adhere to the IOTC requirement. Maldivian fishermen, processors, and the government joined forces in 2019 for three national campaigns dedicated to reducing yellowfin tuna catch, with a strong focus on reducing the amount of juveniles acquired. As a result of these campaigns, there was a 10.6% decline in fish catch during the year 2019, compared to 2018.4 Although this would have an undesirable effect on the economy, we are willing to play our part to

preserve the fish stocks and to achieve the overall goal of maintaining fish populations at sustainable levels.

- 4.214. Target 4 of Goal 14 of the Sustainable Development Agenda specifically urges the international community to effectively regulate harvesting and end IUU fishing and destructive fishing practices. I hope that this meeting will contribute to the realisation of this ambitious goal and we stand ready to engage substantively and constructively within the multilateral trading system with the aim of concluding the negotiations on disciplines to fisheries subsidies and to propose a finalized text for MC12.
- 4.215. H.E. Mr. Mustafa Tuzcu, <u>Deputy Minister for Trade of Turkey</u>, provided the following statement:
- 4.216. In the negotiations, Turkey supports to craft comprehensive and effective disciplines that prohibit harmful fisheries subsidies and to ensure appropriate and effective special and differential treatment for developing country Members. For Turkey, any outcome should be meaningful and balanced for each Member in line with our mandates and based on consensus. Let me now turn to your questions. To stop continued degradation of the world's fisheries resources and of the economic activities and livelihoods that they support, can you, as Ministers, affirm your commitment to conclude the fisheries subsidies negotiations as soon as possible ahead of the Twelfth WTO Ministerial Conference, and confirm that the basic elements of the landing zones necessary to reach a conclusion are contained within the current draft text. To that end, would you be prepared to fully authorize your Heads of Delegation in Geneva to contribute to the flexibility needed to conclude the negotiations?"
- 4.217. Regarding your first question, our very short answer will be "yes, but?". Let me elaborate on this a little. Of course, Turkey affirms its commitment to conclude the negotiations as soon as possible. Furthermore, we believe that basic elements of an agreement are contained in the consolidated text of the Chair, which even can be called as landing zone for some chapter. However still certain areas remain to be negotiated and here are still some elements in the text, which Turkey cannot endorse. Without going into any detail, I will emphasize important issues for Turkey in this regard.
- 4.218. First, the issue of specificity and fuel tax relief schemes. The new disciplines on fisheries subsidies should not cover non-specific subsidies. In addition, fuel tax relief schemes, which are a component of fiscal policy should not be within the scope of the disciplines. Secondly, the issue of artisanal, subsistence and small-scale fishing. We welcome the way how those activities are characterized in the text and we see value in using geographical limitations. However, we prefer any exemption not to be time bound. Thirdly, we attach great importance on that the activities under government-to-government access agreements and RFMO/A quotas that are based on sustainability considerations are not affected by the provisions of the Agreement.
- 4.219. Last but not least, we will continue to follow the negotiations closely in relation to the other aspect of the text such as IUU and overfished stocks pillar and of course S&DT clauses. For purposes of this negotiation alone, and without prejudice to any Member's position on special and differential treatment in any other context, can we agree that the key component of special and differential treatment is for poor and vulnerable artisanal fishers in developing country Members and LDC Members?
- 4.220. Coming to the second question, if the question is about agreeing on the importance of low income, resource-poor and livelihood fishing and the need to deal this matter accordingly, our response is most definitely a "yes". On the other hand, further flexibilities, especially in the form of transition periods might be necessary for other parts of the discipline as well, since it is essential to ensure the effective and successful implementation of the agreement by the whole membership. We are open to constructively discuss all these issues with the aim of finding balancing formulations acceptable by all. We believe that, at this stage, it is crucial to authorize our Heads of Delegations in Geneva to actively work for the conclusion of the negotiations, with the contribution of the Capitals.

- 4.221. H.E. Mr. Phung Duc Tien, <u>Deputy Minister for Agriculture and Rural Development of Viet</u> Nam, provided the following statement:
- 4.222. Viet Nam is committed to cooperating with WTO Members to reach a meaningful outcome and conclude negotiations on Fisheries Subsidies before the Twelfth Ministerial Conference. Our competent authorities in the capital and our Permanent Mission in Geneva shall continue our close coordination with all WTO Members in this process. We support the Chair's current consolidated text as basis for further negotiations. The fact that the Chair's draft text proposes for prohibition of certain kinds of harmful subsidies for wild marine capture-fisheries in linkage with sustainable fisheries management criteria is a right direction for reaching a more balanced outcome between fishery resources conservation and sustainable economic development. The text also shows high ambition in elimination of subsidies for IUU fishing.
- 4.223. In the forthcoming time, in order to further bridge the gaps between Members in several important issues, we kindly request further discussions on the followings: i) satisfactorily dealing with the concerns of the least developed and developing Members where fisheries sector is characterized by tropical, multi-species and multi-gear as related to the biological sustainable level and the notification and transparency obligations; ii) avoiding the expansion of scope, concepts of activities associated with capture fishery; iii) reaching an agreement on concrete procedures of cooperation among Members, including coastal Members, flag State Members and Regional Fisheries Management Organizations in the determination of IUU fishing; iv) soon reaching an agreement on the principles and ensuring that commitments and implementation of such commitments do not affect the rights and interest of Members as provided for in other international agreements; v) ensuring the scope of application of this Instrument to be consistent with the Agreement on Subsidies and Countervailing Measures.
- 4.224. S&DT targeting small-scale artisanal fishermen is aimed at ensuring the goals of inclusive socio-economic development, food security and people's livelihood. Hence, Viet Nam supports the introduction of several S&DT measures to small-scale and artisanal fisheries. Further discussions should be held in the forthcoming time on how to formulate such S&DT measures. As for Viet Nam, we are consistent in seeking for effective S&DT measures for artisanal, small scale fisheries and those fishermen engaged in those fisheries, which are appropriate to the tropical, multi-species, multi-gear practices in Viet Nam with a reasonable transitional period. WTO is a trade organization and has no functions for introducing or determining technical specifications, hence, the general criteria to define artisanal and small-scale fisheries shall conform to the relevant guidelines of FAO, with reference to a Member's domestic regulations, and shall, at the same time, not be bound to any geographical factors that may potentially infringe a Member's national jurisdiction.
- 4.225. Last, but not least, I will give instructions to the Viet Nam's negotiation delegation for continued active engagement and making further efforts to narrow the gaps among Members towards reaching a full-fledged and multilateral commitment which is acceptable to all Members.
- 4.226. The representative of <u>Seychelles</u>, speaking on behalf of H.E. Mr. Naadir Hassan, <u>Minister for Finance</u>, <u>Economic Planning and Trade of the Republic of Seychelles</u>, provided the following statement:
- 4.227. First and foremost, Seychelles wishes to confirm its commitment towards working for a successful conclusion of the Fisheries subsidies negotiations. As a Small Island Developing State, the fisheries sector is crucial to our livelihood, food security, employment and most importantly as one of the main contributors towards our GDP. Whilst my delegation wishes to see the conclusion of this negotiation, Seychelles stresses on the necessity to provide for policy space in order to develop its fisheries sector in the future. Therefore, appropriate Special and Differential Treatment is imperative to allow us to implement the new disciplines, whilst taking into account our circumstances. Furthermore, there is the need for transitional period to put in place appropriate infrastructure and frameworks to allow our policy makers, and fishermen themselves to implement these new disciplines in order to allow for continuity and no major disruption in the fisheries sector.
- 4.228. Seychelles has an EEZ which is more than three thousand times bigger than its land mass and a population of over 90,000. This brings about serious challenges to running stock assessments on all the different species found in our waters. For that reason, Seychelles has been fighting to raise the issue of 'multispecies' of which I want to stress on again. We do recognise the importance

of knowing the status of the stocks. However, given our lack of capacity we find that it is not always feasible to conduct such assessment. It is important to note, that Seychelles does have management measures in place including licensing conditions, which limit the number of licenses provided to fishermen. We also have seasonal fishing for certain species, meaning that fishing for those particular species does not occur throughout the year. These measures allow for the replenishment of the stocks. However, to mandate a member to have a fish assessment of all the species in an area in order so that they can provide subsidies will be challenging in our case given the number of species in one area. It is to be noted that not all species are fished and therefore we mainly conduct assessments on those that are fished more frequently.

- 4.229. I wish to thank the Chairman for his efforts in trying to reach a compromise through the revised draft consolidated text. We have perused the text and would like to iterate our positions. On the Article 5.2 (b), Seychelles wishes to draw the attention of Members to Article 62 (2) of the United Nations Convention on the Law of the Sea (UNCLOS), which allows for "Coastal State to enter into agreements or other arrangement with other States to access the surplus allowable catch, where the coastal State themselves does not have the capacity to harvest the entire allowable catch, pursuant to the terms, conditions, laws and regulations". By virtue of the word surplus being used it infers that the stocks are healthy and therefore does not fall under the scope of overfishing. Furthermore, we are members of the Indian Ocean Commission of which our partners are also members. This ensures that the stock being fished are monitored and regulated to allow for sustainability of the stocks.
- 4.230. Therefore, my delegation supports the inclusion of Article 5.2 (b) and proposes to remove the bracket around this paragraph. Seychelles appreciates the inclusion of footnotes 16 and 17 under Article 8, which tries to accommodate the challenge of notification by developing country Members, which will assist us in the implementation of the rules.
- 4.231. On your two questions, for MC12, in our view, the draft text does not sufficiently address all our concerns as a member. However, if article 5.2 (b) is maintained we can be flexible on other articles. Regarding your question on S&DT, it is important to note that small-scale fishermen will also be affected even if they would not be classified as poor. Given our susceptibility to external shocks, especially with the effects of climate change, not only are our artisanal fishermen vulnerable but so does our small-scale fishermen. This is why we wish to include small-scale fishermen as part of the key component in special and differential treatment.
- 4.232. To conclude, I wish to convey my delegation's willingness to continue working towards concluding this negotiation and bearing in mind the important points raised in ensuring that the discipline is fair, balanced and most importantly that it meets the mandate set out by ourselves in the Eleventh Ministerial Conference decision.
- 4.233. H.E. Mr. Wang Wentao, Minister for Commerce of China, provided the following statement:
- 4.234. As emphasized by President Xi Jinping on various occasions, China staunchly supports the multilateral trading system and promotes building a community with a shared future for mankind. Concluding the fisheries subsidies negotiations will be an important contribution made by the WTO toward achieving the United Nations 2030 Sustainable Development Goals. It will also boost the confidence of the international community.
- 4.235. Concerning the questions raised by the Director-General, China reaffirms its commitment to concluding the fisheries subsidies negotiations as soon as possible ahead of MC12 and confirms that the basic elements of the landing zones necessary to reach a conclusion are contained within the current draft text. China supports the current negotiating framework and does not support adding any new element. China will continue to actively participate in the coming negotiations. China will authorize its Head of Delegation in Geneva to contribute to the flexibility needed to conclude the negotiations.
- 4.236. With regard to the second question, China agrees that, for the purpose of this negotiation, special and differential treatment should be mainly provided for poor and vulnerable artisanal fishers in developing country Members and LDCs. As a developing country Member and a nation with a large fisheries sector, China will assume international responsibilities in the sector commensurate with its level of development and capabilities.

- 4.237. With regard to specific issues, the text of the overcapacity and overfishing (OCOF) pillar should be revised, to be fair and balanced, and strictly consistent with the negotiating mandate. Concerning issues of territoriality and maritime jurisdiction, the final text should guarantee that the WTO by no means involves itself in political issues such as territorial sovereignty.
- 4.238. China's new fisheries subsidies policies feature the objective of green development, and IUU fishing violations are severely penalized with "zero tolerance". China has proactively implemented the UN Sustainable Development Goals. President Xi Jinping has announced China's commitment to peak carbon dioxide emissions and achieve carbon neutrality. We will make further contributions to the realization of SDG Goal 14.6 and work together to foster a community of life for man and nature.
- 4.239. H.E. Mr. Mohamed Boussaïd, <u>Minister for Trade and Export Development of Tunisia</u>, provided the following statement:
- 4.240. Tunisia would like to reaffirm its commitment and unwavering support in favour of a balanced outcome on fisheries subsidies one that respects the mandates of Target 14.6 of the Sustainable Development Goals (SDG) and the Eleventh WTO Ministerial Conference. In this respect, we note that despite the progress made in the negotiations, the draft text before us would require significant improvements in order to meet the mandate's objectives and ensure a balanced agreement.
- 4.241. On the issue of sustainability, we believe that a general exemption as broad as that provided for in Article 5.1.1 allowing for the granting of subsidies without limits, even those harmful to overfished stocks and encouraging overcapacity would prevent us from achieving the sustainability objective of our mandate. In our view, this Article, as it stands, would maintain the status quo and legitimize the large subsidies granted to industrial fisheries, the main players in the non-sustainability of stocks. Furthermore, Article 5.1.1 would give rise to de facto discrimination and inequality in respect of developing and LDC Members that do not have either the means to assess stocks or the technology required to make use of this flexibility.
- 4.242. With regard to special and differential treatment, we welcome the idea of establishing a voluntary funding mechanism for the implementation of the agreement. However, more discussions would be needed to further establish and clarify its parameters, in relation to the disciplines of the agreement and on the basis of contributions from Members, which could draw on experience from the implementation of the Trade Facilitation Agreement. This mechanism could not replace appropriate and effective S&DT provisions, as provided for in the negotiating mandate. Appropriate and effective S&DT would be achieved through provisions enabling developing and LDC Members to develop their fisheries and improve their performance so as to contribute to poverty reduction and maintain food security.
- 4.243. We reiterate, at this level, our support for alternative one of Article 5. 5 of the draft text, regarding exemption based on objective criteria for the area of competence of the exclusive economic zone (EEZ) and Regional Fisheries Management Organizations (RFMOs). Alternative two of S&D for low income, resource poor and livelihood fishing in the territorial sea would not meet our needs or the particular situation of the Mediterranean Sea fishery. In this regard, we would like to clarify that Tunisia, given the insignificant level of subsidies granted and its low contribution in world production, does not participate in the non-sustainability of fishing and could not avail of S&D due to the temporal limitations of this second alternative. For overfished stocks, it should be noted that the need for S&D is essentially dictated by the constraints of the implementation of disciplines, given the non-targeted nature of subsidies. Fisheries in Tunisia are multi specific, using low selectivity fishing equipment, which creates real difficulties in targeting stocks.
- 4.244. Moreover, our fishing licences are granted irrespective of the targeted species and the maritime area of action. This would complicate the implementation of disciplines based on the biological status of stocks or limits of maritime areas. Lastly, we would like to express our concern that the right to avail of S&D is subject to additional notification obligations, which are onerous and burdensome for most developing and LDC Members. The WTO could not replace fisheries management organizations. We therefore call for alignment with the notification requirements of such bodies.
- 4.245. In conclusion, I would like to stress that Tunisia, which is among the top-ranking African countries in terms of achieving Sustainable Development Goals, is committed to working

constructively to achieve a balanced and meaningful outcome on sustainable fisheries, a sector that is vital to the socioeconomic balance of my country.

- 4.246. H.E. Ms. Anna Johannsdottir, <u>Acting Permanent Secretary of State of Iceland</u>, provided the following statement:
- 4.247. Subsidies in fisheries are of particular concern for Iceland. For decades, our fisheries management system has focused on sustainability and while we do not subsidize our fisheries, we sell our products on the international market, inter alia competing with products from unsustainable fisheries which have been subsidized. The issue has been discussed at the WTO for almost 20 years with little progress However, a turning point was reached when the United Nations agreed on the Sustainable Development Goals, mandating the WTO to reach an Agreement to eliminate harmful subsidies. We have already missed a few deadlines and at this point in time we all need to focus on our shared goal for the common good, which is concluding an effective agreement which successfully puts an end to harmful subsidies in fisheries. We must all join hands in taking the last steps towards the finish line of this fisheries-subsidies marathon run.
- 4.248. In response to the two questions the chair posed to Member States, I can without hesitation answer the first question with "Yes, Iceland is willing to authorize our Head of Delegation in Geneva to contribute to the flexibility to conclude the negotiations." Our hope is that such flexibility will allow us to not only conclude an Agreement but an effective Agreement. As regards the second question, on the Special and Differential Treatment, we have stated in our interventions during the negotiations that we are not supportive of general carveouts. If deviations from general ban on subsidies are allowed for by the Agreement, such deviations should in our view be clearly defined, needs based and limited in both geographic, temporal and substantive scope. Iceland is in principle opposed to all subsidies in fisheries, but we are both cognisant of our mandate from SDG14.6 and have full understanding of the special situation and needs of Developing States. Iceland therefore does not object to the key component of the S&DT being for artisanal fisheries in poor and vulnerable communities in developing country Members and LDC Members.
- 4.249. Iceland wants the worlds fisheries to be sustainable. We also want all Member States to be able to fish in a responsible and sustainable way, despite possible capacity restraints. A considerable part of the Icelandic development cooperation through the years has been in the field of sustainable fisheries. Accordingly, Iceland welcomes all efforts, including new instruments, to support targeted implementation of new fisheries subsidies disciplines by developing and LDC Members. Iceland looks forward to concluding this new Agreement on Fisheries Subsidies as soon as possible.
- 4.250. H.E. Mr. Lundeg Purevsuren, <u>Permanent Representative to the WTO of Mongolia</u>, <u>also speaking on behalf of the Group of Landlocked Developing Countries</u>, provided the following statement:
- 4.251. I have the honour to deliver this statement on behalf of the Group of Landlocked Developing Countries. Landlocked developing countries are of the view that the negotiations on fisheries subsidies aiming at the elimination of illegal, unreported and unregulated (IUU) fishing and the prohibition of certain forms of fisheries subsidies that contribute to overcapacity and overfishing would greatly contribute to the sustainable use of our oceans and their resources. We are talking about the USD 55 billion per year subsidy that negatively contributes to overfishing and forces the global fishing stocks to deplete at a pace where the fish population cannot replenish itself. The depletion of fish would in the long run contribute to a bigger problem of climate change and environmental sustainability. We are already running behind in reaching the SDG goal 14.6, where we committed to prohibit these particular subsidies by 2020.
- 4.252. The Group of Landlocked Developing Countries supports the meaningful regulation of subsidies that contribute to overfishing, overcapacity and IUU. The Group also believes in the role of international trade in the promotion of economic development and the alleviation of poverty, especially through improving the involvement in international trade and diminishing trade distortive measures. The Group considers that landlocked countries' interests must be reflected in the draft texts, which will ultimately lead to a multilateral agreement and have an impact on these countries.
- 4.253. In this regard, Afghanistan, Nepal, Paraguay, and Mongolia have submitted a draft proposal to include in the draft consolidated text on fisheries subsidies. The objective of the draft articles in

our proposal is to safeguard the interests and the rights of landlocked developing countries in the future multilateral instrument on fisheries subsidies. Landlocked countries also have ships flying their flags. While we are cognizant of the purpose of the draft text, it is our right and desire to safeguard our interests and the rights, including the right of access to the sea, freedom of navigation, freedom of fishing, freedom of scientific research, among others. We are of the view that landlocked countries should not be marginalized due to their geographical location. "Leaving no one behind" must be an underlining approach. Taking this opportunity, the Group would like to draw the Members' attention to the special needs and challenges landlocked developing countries face due to the specificity of their geographical location.

- 4.254. The lack of access to the sea presents a set of challenges particular to landlocked countries. Transportation costs, that are higher than average, drive up the cost of exporting and importing goods. In addition, the lack of coastlines implies a dependence on neighbouring Members for transit, which can have a significant negative impact on trade, thus, create additional hurdles for these Members to become more integrated into the world economy and reap the benefits from international trade. It is noteworthy that participation of landlocked developing countries in global trade is below 1 per cent. One-third of the population of landlocked developing countries is still living in extreme poverty. On average, LLDCs continue to pay more than double in transport costs compared to their transit neighbours.
- 4.255. In addition, the impact of the COVID-19 pandemic is intensifying the challenges already facing the landlocked developing countries. Many LLDCs have confronted with trade, transport, and distribution challenges. Exports and imports have been affected by problems at borders, lockdowns, trade restrictions, disruptions in global supply chains and commodity price shocks. Unfortunately, these unprecedented impacts of COVID-19 pandemic will have far-reaching consequences in socioeconomic life of LLDCs. Needless to repeat that the Doha Development Agenda aims at boosting the economic development of Members and helping developing and LDC Members diversify their economies with a view to improving their trading prospects, thus involvement in international trade. In this regard, the Group would like to highlight that it aims to have a Work Programme for LLDCs in the WTO and is looking forward to collaborating with the members of the Organization to this end in the run-up to the MC12.
- 4.256. H.E. The Right Honourable Greg Hands, <u>Minister for Trade Policy of the United Kingdom</u>, provided the following statement:
- 4.257. Concluding the Fisheries negotiation is a priority for the UK at MC12, and this Ministerial meeting needs to be a key milestone to get Members there. Concluding this negotiation is important for delivering on Sustainable Development Goals (SDGs) and protecting of course the long-term health of the world's oceans, and also for proving that the multilateral trading system can work. The UK has used the track of G7 presidency to drive progress with G7 Members and escalated the importance of achieving an outcome to Leader level. Addressing your first question, the UK is happy to empower our Head of Delegation to contribute in the spirit of compromise. We agree that the current text is a solid foundation in which to do this.
- 4.258. As the Director-General noted this morning, it is time for Members to demonstrate flexibility in the most challenging areas. This includes on Special and Differential Treatment. The UK has already committed £500 million to supporting developing countries to protect the marine environment, engage in more sustainable fishing, and reduce poverty through the 'Blue Planet Fund'. We are considering what additional technical assistance we can provide to support developing countries in implementing the agreement. To assist in this assessment, we are keen to deepen our understanding how any WTO fund would operate.
- 4.259. And now, addressing your second question, on S&DT for poor and vulnerable artisanal fishers. The UK strongly committed to S&DT that supports those members with a genuine need. The UK recognises the importance of the fisheries sector to the economic development of certain developing and LDC Members. However, it cannot be right that big players in the fisheries space benefit. And crucially, S&DT cannot undermine the integrity of the agreement. To achieve that balance, the UK agrees that a key component of S&DT is to target the help to poor and vulnerable fishers.

- 4.260. The UK thinks we should focus S&DT to Fishers operating closer to their shores, as these fishers are more likely to qualify as genuinely 'poor and vulnerable'. Applying this geographical focus would ensure that larger Fishers remain subject to the disciplines. And crucially, it is important that S&DT is used to support Members as they transition to more sustainable fishing regimes. So, I hope that Members will agree that this is the most pragmatic option. Agreeing comprehensive transparency provisions will be crucial to ensuring such S&DT provisions do not undermine the agreement. The UK is delighted to attend today and wants to work with Members to find a conclusion to this crucial negotiation.
- 4.261. H.E. Dr. Majid Alkasabi, <u>Minister for Commerce and Chairman of the Board of Directors for the General Authority for Foreign Trade of the Kingdom of Saudi Arabia</u>, provided the following statement:
- 4.262. The Kingdom of Saudi Arabia believes that trade has been and will continue to be the main engine of inclusive growth, development, and poverty reduction. In this respect, we are committed to move on the negotiating mandate agreed at the Eleventh WTO Ministerial Conference and the Sustainable Development Goal target 14.6 on fisheries subsidies, we are looking forward to have a balance and meaningful outcome in this regard ahead of the Twelfth WTO Ministerial Conference, this is in one hand. On the other hand, we believe that the negotiations on fisheries subsidies should take into account the concerns and interests of each member very seriously in order to reach to a successful conclusion in this field.
- 4.263. Our understanding that flexibility can be shown in areas where there is a room for it (and this was really envisaged in many areas in the text from our side as an individual country and within the Arab Group), but in sensitive areas showing flexibility would not be attainable. In this regard, I would like to reiterate our well-known and clear position -in which many members shared with us the same views- regarding the deletion of article 1.2 under the scope of the revised draft text. As we have already indicated in many occasions, the insertion of this sub-article adds a critical element of a horizontal nature, which will have systemic implications that goes beyond the scope of fisheries subsidies negotiations. Dealing with non-specific fuel subsidy as currently said in the revised draft text is not the right way to move forward and to achieve a consensual outcome. Negotiations should focus only on disciplining specific subsidies within the meaning of Articles 1 and 2 of the Subsidies and Countervailing Measures Agreement (SCM) and non-specific subsidies should be remained out of the scope.
- 4.264. Moreover, we recognize that small-scale and artisanal fishing are crucial for millions of the people in the world. Therefore, there must be horizontal exclusion of artisanal and small-scale fishing without geographical limit for all members whether they are demanders or not. On special and differential treatment issue and based on the mandate fixed under the Ministerial Decision from the WTO's Eleventh Ministerial Conference, and the UN Sustainable Development Goal Target 14.6, special and differential treatment for developing and LDC Members is an integral part of the WTO fisheries subsidies negotiation. With this understanding, we do not share the view aiming to limit the scope of S&DT and narrow it down to a certain segment of fishers in developing and LDC Members.
- 4.265. Given the very limited time we have in today's meeting and the difficult dynamics in the fisheries subsidies negotiations. We believe that this meeting should aim towards providing political direction and guidance on how to take the negotiations forward in light of the huge divergences among member's positions, if we are to reach mutually advantageous and satisfactory conclusions as soon as possible. Maybe now is the right time to confront the issues hindering progress in an open and transparent manner. It is time to take stock and see whether our current approach and structure of doing things in running fisheries subsidies negotiations is moving in the right direction and responding to member's needs and interests. In conclusion, the Kingdom of Saudi Arabia stands ready to work constructively with WTO Members towards successful outcomes in fisheries subsidies negotiations before MC12.
- 4.266. H.E. Mr. Mashimba Mashauri Ndaki, <u>Minister for Livestock and Fisheries of the United Republic of Tanzania</u>, provided the following statement:
- 4.267. It is agreeable that key component of special and differential treatment is for poor and vulnerable artisanal fishers in developing and Least Developing (LDC) Members. That being the case,

the Agreement, should allow us to develop national capacity to harness the resources of our virgin Exclusive Economic Zones (EEZ) and beyond responsibly for a sustainable blue economy. To achieve this irrespective of any outcome, the agreement has to contain requisite development policy space for developing and LDC Members. The United Republic of Tanzania stands ready for collective responsibility to curb the marine depletion being triggered by harmful subsidies. It is high time now, members who have been providing excessive subsidies and with intensive industrial fishing scale, should also meaningfully commit to eliminate harmful subsidies.

- 4.268. Regarding the Chair's text (TN/RL/W/276/Rev.1), the United Republic of Tanzania is glad to note that some important elements are included in the draft. However, we have some observations and concerns to make as follows: The exceptions as provided in Article 4.4 of which developing Members will be allowed to subsidies for limited time and are confined to within 12 nautical miles. In this area, The United Republic of Tanzania and I believe this applies also to other developing and LDC Members, we argue for a more policy space, there should be a further exempt that we may be able to help our small-scale fishers to go and fish beyond 12 nautical miles within our EEZ provided that they are not engaged in IUU.
- 4.269. The concept of prohibition on subsidies concerning overfished stocks (Article 4), in our view is redundant upon effective implementation of prohibition on subsidies concerning Overcapacity and Overfishing (Article 5.1). Therefore, we propose Article 4 be removed from the text. In conclusion, the United Republic of Tanzania would like to reiterate her commitment for a conclusion of a meaningful outcome on fisheries subsidies before or during Twelfth Ministerial Conference.
- 4.270. H.E. Mr. Ohad Cohen, <u>Trade Commissioner of Israel</u>, provided the following statement:
- 4.271. Today's meeting is an important milestone as we move closer to delivering an outcome by MC12. While Fisheries represent a relatively small segment of our economy, Israel recognizes the importance of these negotiations, both in terms of its significant environmental impact and its importance for the WTO. I would like to address the two questions posed by the Chair. On the first question, we view the latest revised draft consolidated text as a reasonable basis to consider for a potential landing zone. We note it contains most of the essential elements required, but we also recognize some considerable gaps remain. Nevertheless, Israel hopes that through the authorization we collectively seek from all Ministers, and for which Israel is prepared to provide respectively we can all negotiate with the flexibility required to narrow down the gaps and successfully reach an agreement.
- 4.272. On the second question, Israel acknowledges the importance of addressing harmful fisheries subsidies from the perspective of environmental sustainability and the simultaneous need to support vulnerable communities that depend on fishing for their sustenance. Therefore, and without prejudice to Israel's position on S&DT in other settings, Israel can agree that for the purpose of these specific negotiations, the key component of special and differential treatment may be reserved for poor and vulnerable artisanal fishers in Developing Country Members and LDC Members. We look forward to hearing the views of other Members, as well as your views during today's Ministerial meeting. Israel stands ready to continue our work during the second half of the year, leading up to MC12.
- 4.273. H.E. Mr. Muhammad Lutfi, <u>Minister for Trade of Indonesia</u>, provided the following statement:
- 4.274. As the largest Archipelagic Country, Indonesia attaches high importance to the negotiations. This negotiation is part of our commitments in pursuing the Sustainable Development Goals. Indonesia supports an effective discipline on fisheries subsidies before the MC12. The discipline is urgently needed as our ocean continues to deteriorate. I appreciate the latest Draft Chair's Consolidated Text. It is my believe that some elements could become landing zones in an effort to reach an agreement. Nevertheless, we need to lay significant efforts if we want this discipline to conclude before the MC12. To this end, I have assigned my Ambassador in Geneva to fully engage with the negotiation.
- 4.275. I am confident that the negotiation in Geneva could strike the right balance in ensuring common but differentiated responsibility. This principle will be critical in ensuring significant reduction of harmful subsidies which contribute to overfishing and overcapacity and efficiently eliminating subsidies for IUU Fishing.

- 4.276. You also asked on the key component of special and differential treatment. While we share the view that we need to protect the vulnerable artisanal fishers, we may have differences on what constitute artisanal fishers in each jurisdiction. Harmonizing such a term will not ensure symmetrical commitment among members. Hence, I am of the view that we should allow each jurisdiction on how to regulate such vulnerable artisanal and small-scale fishers. Furthermore, we should also look at the fact that only less 20 percent of total global subsidies are received by artisanal and small-scale fishers. Most of the subsidies are received by the distant water fishing vessel, operated by operators that work in highly complicated structure.
- 4.277. I do believe that this kind of fisheries should be the priority target of the discipline. Many developing and LDC Members are deprived from opportunity of fair trade in fisheries because they cannot compete in subsidies. And even if they can compete, as they catch closer to their shore, they will get further hurdle with tariff in importing Members that make it extremely difficult to compete with large subsidizing nation.
- 4.278. In light of this situation, we should objectively engage the negotiation and taken into account concern of every member. Only through this, we can achieve a balance and acceptable discipline. This discipline is nothing like other trade discipline since it is aimed to ensure sustainable fisheries as part of attainment of overall sustainable development goals. In light of this, Indonesia reiterates its view that this discipline should not detach from the development agenda of developing and LDC Members, especially those who rely to artisanal and small-scale fisheries for local economy, food security and poverty alleviation.
- 4.279. The representative of <u>The Gambia</u>, speaking on behalf of H.E. Mr. Seedy Keita, <u>Minister for Trade</u>, <u>Industry</u>, <u>Regional Integration and Employment of The Gambia</u>, provided the following statement:
- 4.280. My delegation aligns with the statement delivered by Mauritius on behalf of the African Group, and the statements to be delivered by the ACP and LDC Group. Negotiations on fisheries subsidies at the WTO have been ongoing for more than two decades, and in that period, fish stocks have declined globally largely due to capacity enhancing subsidies provided by some members. It is therefore in our shared interest to ensure that we reach a meaningful outcome that eliminates subsidies that contribute to IUU fishing and prohibit certain forms of subsidies that contribute to overcapacity and overfishing.
- 4.281. In response to the specific questions posed for this meeting, I wish to assure you that my delegation remains committed to successfully concluding these longstanding negotiations by MC12. I must stress that any such outcome should not only respect the SDG 14.6 and MC11 mandates, but also be meaningful enough to have a positive impact on the health and sustainability of our oceans. Though not perfect, the Chair's revised draft text contains the basic elements of the landing zones necessary to reach a conclusion. Therefore, my delegation recommends that after the summer break, the negotiations move to an intensive text-based phase to bridge the gaps in members' positions. Our Mission in Geneva will participate actively in such a process with a view to ensuring that the final outcome is balanced, meaningful and in compliance with all aspects of the mandate. Our flexibility in the negotiations will be guided by these overarching principles.
- 4.282. Regarding special and differential treatment, yes, we can agree that one of its key components is for poor and vulnerable artisanal fishers. Therefore, we welcome the deletion of the time limit in Article 5.5 of the Chair's revised draft text and the proposed establishment of a voluntary WTO funding mechanism to assist members implement the new disciplines. However, it is worth emphasizing that S&DT is not just limited for artisanal fishing. Appropriate S&DT is also required to enable members develop their fishing sectors and sustainably exploit their marine resources. So, to conclude, after more than twenty years of negotiations, this is the closest we have ever come to reaching an outcome. We should all build on this momentum and work towards a successful conclusion by MC12.
- 4.283. H.E. The Honourable Dan Tehan MP, <u>Minister for Trade, Tourism and Investment of Australia and the Vice Chair of the Twelfth WTO Ministerial Conference</u>, provided the following statement:
- 4.284. I agree with the assessment that we have come far in these negotiations. It is vital that the long-overdue WTO fisheries subsidies negotiations are concluded, and that the outcome effectively

disciplines harmful fisheries subsidies. Australia affirms its commitment to concluding negotiations as soon as possible ahead of MC12. To have been worthwhile, the negotiations need to deliver a credible outcome – one that goes beyond preserving the status quo. Achieving a meaningful outcome will require urgent, constructive engagement and willingness on all parts to find realistic text-based solutions in the next couple of weeks. We should all get behind the Director-General and Ambassador Wills and Heads of Delegation to make efforts to bridge differences. We should be clear in our directions. We all need to be in a position to conclude as soon as possible, ideally by the end of July – a goal set by APEC Trade Ministers in their recent Ministerial statement.

- 4.285. Let me turn to Australia's positions, in addressing your first cluster of questions Australia will continue to engage flexibly and constructively based on your current draft text. The basic elements necessary to reach conclusion are contained within the current draft text. We are not there yet but we should be able to get there if we come with the right approach. For that reason, I agree that we urge our delegations, including importantly our heads of delegation, to engage in a process which is genuinely text based.
- 4.286. Moving to your second question, we acknowledge the rights of coastal members and recognise that some communities rely on fisheries resources to protect the livelihoods of their fishers. For that reason, we can work with the proposed approach of focusing special and differential treatment on subsidy programs for artisanal fishing, noting that securing a meaningful outcome overall would require that we agree: on the need to have strong disciplines to curb harmful fisheries subsidies to large-scale industrial fleets; to prevent incentivizing fishing outside our national jurisdictions through the use of fisheries subsidies; and to prevent incentivizing that fishing through unfettered carve-outs within national jurisdictions. Australia is ready to do everything it can to successfully conclude these negotiations. We are ready and willing to work with the Chair and the Director-General and we strongly urge all other delegations to equally commit to achieving a negotiated agreement as soon as possible.
- 4.287. H.E. Mr. Bakhyt Sultanov, <u>Minister for Trade and Integration of the Republic of Kazakhstan and the Chairman of the Twelfth WTO Ministerial Conference</u>, provided the following statement:
- 4.288. The fisheries subsidies negotiations represent a potentially pivotal opportunity for the WTO to demonstrate that the Organization is capable to develop new rules that will make a real-world impact on our economies and environment. This gathering shows that negotiations moved to the political level. And we should take decisive actions to achieve an agreement that will help conserve and sustainably use the ocean's resources.
- 4.289. Today Kazakhstan joins other WTO Members who bring positive answers to two questions set up before us. First, we understand the crucial need to tackle harmful fisheries subsidies and reach the final agreement before MC12. In this regard, we firmly believe that all WTO Members together will achieve consensus on issues that remain unsolved at this point. Thanks to joint efforts of our Permanent Missions in Geneva, under the able chairmanship of Ambassador Wills, the current draft text contains the major elements of the landing zones for the achievement of a comprehensive outcome on Fisheries Subsidies. In this view, active work and personal engagement of our Heads of Delegations should be strengthened in the coming few months.
- 4.290. Second, ensuring an effective Special and differential treatment for developing and LDC Members still requires further reflection. We should take into account the vulnerable artisanal communities in which fisheries might be the only source of income. I also would like to highlight that Kazakhstan, as a Global Chair of the Group of Landlocked Developing Countries, associates with the statement made by the distinguished Ambassador of Mongolia on behalf of the Group of LLDCs in Geneva. In conclusion, as the Chair of MC12, I hope that when we meet in Geneva in early December, we will deliver tangible outcomes for the global trading system, including establishing the new Fisheries Subsidies disciplines and delivering of the universally agreed Sustainable Development Goal 14.6.
- 4.291. H.E. Mr. Rodrigo Yanez, Vice Minister for Trade of Chile, provided the following statement:
- 4.292. There is no doubt that today we are facing a huge challenge in concluding this complex negotiation, but never before we have come so close to reaching an agreement in this two-decade long negotiation. We have to reaffirm our individual and collective commitments to promptly

conclude this negotiation, because it is critical for the future of the WTO. There is more at stake than the sustainability of marine resources.

- 4.293. We see today's meetings as a confidence building exercise. We have to be able to finish the negotiations in the upcoming months if we want to have a successful MC12 that will already address difficult challenges that our planet is facing, particularly the WTO's response to the pandemic, as well as to start discussing the pending agriculture liberalization and the much-needed reform of our organization to prepare it and make it relevant for the 21st Century economy. During today's meeting, we should send a strong political call to rapidly conclude this negotiation before MC12. The world is watching us, and we cannot fail again in complying with the mandate given by our Leaders contained in the 2030 Sustainable Development Goals.
- 4.294. On your first question Chile says yes. The text prepared by the Chair, to whom we congratulate and thank for bringing us to this important point, is the basis for the final stage of the negotiations. To achieve a meaningful and balanced outcome before MC12, we must be able to effectively prohibit fishery subsidies that contribute to Illegal, Unreported and Unregulated fishing, and tackle those harmful subsidies that contribute to overfishing and overcapacity. Secondly, we must curb subsidies given to industrial fleets, which account for 80% of total harmful fishery subsidies. Thirdly, we must prohibit subsidies targeted to long distant water fishing. Lastly, we must also strengthen our transparency and notification obligations.
- 4.295. We recognize that those elements are in the latest draft, however, we also see some troubling elements which we need to work out to achieve our goal. Let me emphasize that this instrument cannot become a tool to legitimize the status quo nor to perpetuate existing harmful practices. With regard to question 2, Chile agrees that our overall objective in this negotiation requires a particular approach for special and differential treatment in which "artisanal, low income, resource-poor and livelihood fishing or fishing related activities" should be a key component. We need to promptly achieve in the negotiation the right balance between flexibilities given to big subsidizers and the required S&DT, to effectively comply with our mandate.
- 4.296. The representative of <u>Honduras</u>, speaking on behalf of H.E. Mr. David Alvarado, <u>Undersecretary for Economic Integration and Foreign Trade for the Ministry of Economic Development of Honduras</u>, provided the following statement:
- 4.297. Honduras reiterates its firm commitment to concluding the fisheries subsidy negotiations before the Twelfth Ministerial Conference and can confirm that the current draft text contains some of the basic elements required to reach a conclusion. There are clearly many issues that remain to be discussed, which is why detailed technical work together with the political will of all Members will enable us to move closer together and bridge existing gaps with a view to achieving the outcomes required in respect of a global public good. One such outcome is the protection of the ecosystems of the world's oceans.
- 4.298. We wish to reiterate that Honduras, as a developing country with a small and vulnerable economy, gives priority to the principle of appropriate and effective special and differential treatment for developing and LDC Members that goes beyond the granting of extended deadlines and technical cooperation. Special and differential treatment forms an integral part of our negotiating mandate and we share the view held by many other Members that small scale subsistence fishing and artisanal fishing should be excluded from these disciplines. In Honduras, this type of fishing is one of our development priorities, in the same way as poverty reduction, the promotion and defence of employment, means of subsistence and food security, etc. In light of the foregoing, Honduras considers it vital that the special circumstances surrounding subsistence, artisanal and small-scale fishing be recognized.
- 4.299. Honduras shares and supports the principle of shared but differentiated responsibility, through the creation of a regulatory discipline effective against those who subsidize the most. We also believe that a concerted effort by all Members to discipline fuel subsidies is crucial if we want to collectively honour the commitments undertaken. Furthermore, we welcome the steps taken by the Director-General to create a funding mechanism that will serve to coordinate and finance the provision of technical assistance to help us adapt our fisheries systems, so that we can comply with the rules and also take proper advantage of the flexibilities. Lastly, Honduras reaffirms its willingness, commitment, responsibility and readiness to work actively with all the Members of this

Organization to meet the set objectives and achieve a balanced agreement that responds to the needs and aspirations of the entire Membership.

- 4.300. The representative of <u>Kenya</u>, speaking on behalf of H.E. Ms. Betty Maina, <u>Cabinet Secretary for Industrialization</u>, <u>Trade and Enterprise Development of Kenya</u>, provided the following statement:
- 4.301. I align with the statements that have been issued by the Hon. Minister of Jamaica on behalf of the ACP Group and the Hon. Minister of Mauritius on behalf of the African Group. Kenya is committed to not only the conclusion of these protracted negotiations, but also to an outcome that reflects the aspirations of Target 14.6 of the 2030 Agenda for United Nations Sustainable Development Goals, of disciplining fisheries subsidies, while taking into consideration special and differential treatment for developing and LDC Members. In that regard, I wish to register my appreciation for the work of the Negotiating Group on Rules under the leadership of Ambassador Santiago Wills of Columbia. The 30 June consolidated draft text is testimony to the tremendous work undertaken thus far. This draft has considerable improvements from the previous drafts, signifying meaningful progress towards the conclusion of these negotiations.
- 4.302. The Fisheries negotiations epitomize the "mutual supportiveness of trade and environment" and it behaves us to ensure we get an outcome that is good for our economic development whilst honouring our commitment to planet earth. In addition, the blue economy has a pivotal role in the achievement of many Members' development aspirations. Kenya is a fervent proponent of the Blue Economy, and as host of the 2018 Global Sustainable Blue Economy Conference, we consider that concrete outcomes from the negotiations at the WTO as integral to the global Blue Economy agenda.
- 4.303. While the draft consolidated text is comprehensive and contains some elements that are necessary to conclude the negotiations, we are concerned that the text still has other significant elements in brackets. We are therefore sparing no efforts in making our contribution to bridging the gaps and finalise this process. We are, however, cognizant of the differences in positions taken by Members with respect to the outstanding contentious issues, and the attendant sensitivities. To that end, we are prepared to continue exercising flexibility, as we have always done, to conclude these negotiations, on the understanding that the process and eventual outcome is in line with the mandate prescribed by Target 14.6 of the SDGs.
- 4.304. In light of the aforementioned, we would like to emphasize the following elements which we view as integral to the conclusion of these negotiations: Respect for the principle of proportionate burden and responsibility- sharing; Exclusion of artisanal and small-scale fishing from the discipline; Precise, effective and operational Special & Differential Treatment provisions that go beyond transitional period and technical assistance and capacity development; and Transparency and notification obligations that are not unduly burdensome or onerous. In conclusion, I would like to reassure you of our commitment to successful conclusion of the fisheries subsidies negotiations. We have no doubt that a breakthrough in this area will revitalize the Doha work program and enable the WTO to reclaim its indispensable role as the fulcrum for global trade rulemaking.
- 4.305. H.E. Dr. Jerome Xavier Walcott, <u>Minister for Foreign Affairs and Foreign Trade of Barbados and Vice Chair of the Twelfth WTO Ministerial Conference</u>, provided the following statement:
- 4.306. Like other small island developing states, Barbados is susceptible to the sequelae of climate change and its concomitant degradation of our landscape, our coastline and our marine resources. As a result, we are acutely aware of what it means to be environmentally vulnerable. Barbados has therefore fully embraced the need to shift to more sustainable pathways in order to conserve and protect our land and ocean spaces. Hence, we are deeply invested in framing the discourse surrounding climate change, the environment and sustainability at the national, regional and international level.
- 4.307. The ocean or blue economy is one of the core tenets that will drive Barbados' economic diversification and our efforts, at attaining our sustainable development objectives. It is therefore critical for us at the international level, if we are able to come up with the right combination of elements, the conclusion of a WTO agreement on fisheries subsidies, could serve as one of our collective contributions to fulfilling the goal of eliminating the type of subsidies that contribute, to the wholesale overfishing that has unfortunately characterised the state of our oceans today.

- 4.308. There is already a well-defined body of law at the international level which governs all activities and uses of the world's seas and oceans, as well as agreements governing fisheries management. These, we understand, fall outside of the rubric of the WTO. We have no desire to change this.
- 4.309. Barbados is of the view that the Revised Consolidated Chair's Text includes most of the necessary elements for reaching an agreement on fisheries subsidies in accordance with the mandates set by Heads of State and Government in target 14.6 of the Sustainable Development Goals and, at the eleventh WTO Ministerial Conference (MC11). If the WTO is to reach consensus on a fisheries subsidies agreement by MC12, further work will be required to obtain an agreement, that would allow us to ensure that the disciplines, target those granting subsidies that contribute most to what has been characterised as "unsustainable fisheries stocks", while at the same time ensuring that those who either do not contribute to overcapacity and overfishing, or whose impact is too miniscule to contribute to the overall problem, are not held responsible for the actions of those others.
- 4.310. In the general scheme of things, Barbados may be considered as a small WTO Member. While we may agree with this characterisation based on our physical size, this should in no way be taken to mean that we are expendable, or that our views and interests, particularly when compounded by our current realities and the peculiar nature of our fisheries, should be disregarded. In addition to expressing our national views in the negotiations, we have also used the CARICOM and OACP Groups to amplify our voice.
- 4.311. The principle of proportionate responsibility is well-recognised and commonplace, in international negotiations concerning climate change and other issues relating to the environment. It is manifested in the polluter-pays principle as well as common but differentiated responsibilities and respective capabilities in these fora. The science and data clearly suggests that large-scale industrial fishing bears the brunt of the responsibility for the deplorable state of the global fisheries stocks and that such activities are fuelled by subsides.
- 4.312. For us it is unacceptable, to allow the status quo to be institutionalised in the agreement, under the guise of sustainability. Barbados does not engage in large-scale industrial fishing and cannot be considered by any stretch of the imagination to be a subsidiser of any significance. In fact, my country's share of global marine capture fisheries production, in terms of metric tons, has consistently been infinitesimal. Barbados maintains its call for special and differentiation treatment, which is mandated, through an exemption for Members whose share of global marine capture fisheries production, is below a defined de minimis level within the overcapacity and overfishing section, of the agreement.
- 4.313. This collective proposal from CARICOM and the OACP, has been on the table for over a year, but is not in the text. Such and exception should be without a time-bound condition, as it is by definition bound to a limit above which it will not apply. Adjustments would also need to be made to the notification and transparency elements of the text, to ensure that the beneficiaries of such a provision will be able to effectively utilise it; as well as to reduce the exposure of small developing countries like ours.
- 4.314. Barbados is supportive of an exemption for artisanal, and small-scale fishing within a coastal member's Exclusive Economic Zone. There however, continues to be concerns regarding the term "low income, resource-poor and livelihood fishing" to define these kinds of fishing given that in the agriculture discussions WTO Members have struggled for years to define the term "low-income, resource-poor".
- 4.315. Barbados appreciates the work that you have done regarding the technical assistance and capacity building element of the text. However, this is an issue which will also require further consideration. We have found that oftentimes organizations and Members that offer technical assistance and capacity building utilise per capita income criteria to assess the beneficiaries of such assistance. This has meant that because of our relatively high income per capita, countries like Barbados are unable to access technical assistance and capacity building and other forms of concessional arrangements at the national level, thereby placing us in a disproportionate position vis-à-vis other WTO Members as we try to fulfil our commitments under the respective agreements.

- 4.316. The amendments that are necessary to balance the mixture of elements that will take us to consensus, on an agreement by MC12 are doable and pragmatic. We trust that our Ambassadors and their technical teams in Geneva can get this done. Let me assure you that Barbados will employ the necessary political will to ensure that we conclude a balanced agreement which will ensure the conservation and protection of our vital fisheries resources. We count on other WTO members to also play their role to this end.
- 4.317. H.E. Mr. Kodjo Adedze, <u>Minister for Trade, Industry and Promotion of Local Consumption of Togo</u>, provided the following statement:
- 4.318. Regarding the first question, it should be recalled that many reports do indeed indicate that we are facing the global depletion of fisheries resources due to the negative impact of subsidies on fish stocks, in particular subsidies provided by the main countries engaged in industrial and large-scale fishing in distant waters. Mindful of this alarming situation, we firmly believe that there is an urgent need to conclude an agreement on fisheries subsidies before the Twelfth Ministerial Conference (MC12), but also in light of the expectations related to Target 14.6 of the United Nations Sustainable Development Goals (SDG), which addresses subsidies harmful to fisheries. We should not, however, confuse speed with haste, since for our countries, which practice nothing but artisanal and small-scale fishing, there can be no question of accepting an agreement at any cost.
- 4.319. We believe that the current text presented by the Chair of the Negotiating Group on Rules contains the basic elements that will enable Members to reach the minimum level of consensus required to conclude an agreement. In our view, however, the text remains imbalanced and needs to be improved. To this end, my country, Togo, is prepared to give its Permanent Representative to the WTO full powers to contribute to the flexibility required in the context of the groups of which it is a member, with a view to concluding the negotiations.
- 4.320. With regard to the second question, we are of the view that this agreement should contain special and differential treatment provisions as we discussed at the last meeting. Furthermore, the Ministerial Decision of 2017 and SDG Target 14.6 clearly indicate that appropriate and effective special and differential treatment for developing and least developed country Members should form an integral part of these fisheries subsidies negotiations. In terms of substance, special and differential treatment should not be limited to poor and vulnerable artisanal fishers in developing and LDC Members. It must go beyond that since we need policy space to develop and strengthen our fisheries sectors.
- 4.321. H.E. Ms. María Luisa Hayem, <u>Minister for Economy of El Salvador</u>, provided the following statement:
- 4.322. Sustainable trade remains an essential tool for economic and social development for all, and I therefore reiterate El Salvador's commitment to a fair and rules-based multilateral trading system that responds to the economic challenges arising from the health crisis. We are here to address an issue of environmental sustainability, which transcends the issue of trade and has a direct impact on the conservation of our seas and the sustainability of our fisheries resources. Hence, it is important to comply with the provisions of SDG target 14.6.
- 4.323. We are all aware of the alarming condition of our oceans, owing to illegal, unreported and undocumented fishing and overfishing. According to the FAO, one third of commercial fish stocks are subjected to biologically unsustainable levels of fishing and world capture fisheries production has reached record levels in recent years. While we must make a collective effort to find a solution to this problem, it is necessary to recognize the asymmetries among Members in terms of both world marine capture and the levels of harmful subsidies that are being granted. I therefore reiterate the importance of reaching an agreement on fisheries subsidies that is balanced and takes into account these asymmetries. Although the latest version of the consolidated text raises some sensitivities for El Salvador, which have been repeatedly highlighted, we can work on this basis and continue to negotiate until we reach a balanced outcome, which takes into account the interests of all Members.
- 4.324. I wish to conclude by reiterating the importance of effective special and differential treatment, without burdensome obligations, for developing and LDC Members, especially those with a low world marine catch share and that do not grant harmful subsidies, as is the case in El Salvador. It is crucial for my country to have the policy space to allow us, on the one hand, to implement the

disciplines emerging from these negotiations and, on the other, to promote the development of the fisheries sector and guarantee the livelihoods of artisanal fishers, in accordance with the Trade and Investment Policy 2020–2050 and the Master Plan for Agricultural Recovery.

- 4.325. In light of the above, El Salvador considers it necessary to maintain the flexibilities throughout the text, including those applicable to the exclusive economic zone and the zones regulated by RFMOs. In addition, my country supports flexibilities for small-scale and subsistence fishing and food security. Technical assistance and capacity building will be vital for us, which have limited resources, to implement the measures of this Agreement, and we therefore welcome the establishment of the WTO fund.
- 4.326. H.E. Mr. Besart Kadia, <u>Deputy Minister for Finance and Economy of Albania</u>, provided the following statement:
- 4.327. Let me emphasise from the outset that Albania fully supports the efforts made so far to bring forth the negotiations in order to meet both mandates from SDG target 14.6 and from the Eleventh Ministerial Conference of WTO establishing a clear prohibition on subsidies that harm the sustainability of fisheries. We consider that the revised draft consolidated chair text (TN/RL/W/276/Rev.1) presents a solid basis to find common ground and build consensus on the remaining issues in the text.
- 4.328. Albania remains committed to promote responsible and sustainable fisheries and in this context, we deem it important to ban subsidies for vessels or operators of vessels engaged in illegal, unreported and unregulated (IUU) fishing that contribute to excessive and irresponsible use of marine resources. As the fisheries remain an important source of food, nutrition, income and livelihoods, the support for the fishing sector is to be considered also within the mandate of Sustainable development Goal SDG 14.6 target that recalls for appropriate and effective special and differential treatment (S&DT) especially for developing and LDC Members. Therefore, the S&DT has to be an integral part of this agreement.
- 4.329. Regarding the questions posed to us for framing the discussions, for the first question I can confirm that for my country the basic elements of the landing zones necessary to reach a conclusion are contained within the current draft text, and at the same time I can affirm that my country's Head of Delegation in Geneva is authorized to contribute to the flexibility needed to conclude the negotiations.
- 4.330. Concerning the second question, that is mostly referred to the divergent views on Article 5.5 of the text, on how the special and differentiated treatment is considered, we can agree that the special and differential treatment is a key component for poor and vulnerable artisanal fishers, but also for small-scale fishing, in developing country Members and LDC Members alike. To this reason we support ALT 1 of article 5.5. in the revised draft consolidated chair text TN/RL/W/276/Rev.1.
- 4.331. We are fully aware that the fishing sector requires support, including also the renewal and modernization of the fishing fleet and in this regard, the allowance of subsidies has to be evaluated in correlation with the sustainability of fishing. This balance is of outmost importance also while taking into account the development of the responsible and sustainable fishery sector. Also, Albania supports the position expressed by different member states, that the taxation policy on fuel for fishing or fishing related activities is the sovereign right of each member state.
- 4.332. Therefore, we consider that is essential to maintain the possibility of granting subsidies to this aim, obviously being subject to strict observance of the requirements for fish protection and preservation, as well as for maritime safety and environment protection, without increasing fishing effort. Obviously, reaching the consensus on the revised consolidated text in front of us will represent a major achievement for WTO as we approach to the 12 Ministerial Conference later this year and obviously will serve to increase the credibility of WTO and send a strong and clear message for the irreplaceable WTO's role for the rules-based multilateral trading system globally.

- 4.333. H.E. The Honourable Mary Ng, MP, <u>Minister for Small Business</u>, <u>Export Promotion and</u> International Trade of Canada, provided the following statement:
- 4.334. Let me just begin with Canada's answers to both questions: yes and yes. With respect to the first question, Canada believes that the Chair's draft consolidated text contains the basic elements of the landing zones for a meaningful agreement. While discrete elements still need to be negotiated, the text lays the groundwork for agreeing on strong and effective disciplines to prohibit certain forms of subsidies and sets obligations on notification and transparency: The IUU fishing pillar targets and prohibits the worst form of harmful subsidies. Both pillars on overfished stocks and on overcapacity and overfishing respect that sustainable fishing is possible in the context of subsidization, provided fisheries management measures are implemented to support the sustainability of fish stocks. This is consistent with our broader sustainability mandate to prohibit harmful subsidies.
- 4.335. For Canada, a meaningful agreement is one that also contains effective obligations on dispute settlement. On top of that, strong and effective disciplines on subsidies for high seas fishing are important in order to address the global overcapacity and overfishing problem. Canada is also committed to upholding human rights and international labour standards. Going forward, we would be supportive of the inclusion of effective provisions that will address the problem of forced labour on fishing vessels.
- 4.336. Canada has been fully committed to these negotiations, putting forward proposals and engaging in dialogue with other members here and through our work in the Ottawa Group. Ultimately, Canada believes that an agreement ahead of MC12 is possible but it will require members to demonstrate flexibility, good will, and cooperation. Looking ahead, Canada will continue to contribute and remain flexible in order to reach an agreement, provided that the final agreement remains true to the underlying premise of SDG 14.6 that subsidization must not compromise sustainability.
- 4.337. With respect to the second question, Canada agrees that special and differential treatment for poor and vulnerable artisanal fishers in developing country members and LDC members should be a key component of the agreement. In terms of our approach to S&DT, our preference has been to match special and differential treatment flexibilities to Members' specific needs, and we have heard members convey the particular challenges of subsistence, artisanal, and small-scale fishing. As such, we have been open to exploring potential approaches for dealing with the unique context of poor and vulnerable artisanal fishers in developing and LDC Members.
- 4.338. But we have also noted that if we are to deliver on our mandate in SDG 14.6, the agreement must not undermine or compromise our shared sustainability objectives. Reaching an agreement with respect to S&DT more broadly may require some innovative thinking, given that a number of developing members are among the largest providers of harmful subsidies, though we remain positive on a successful future agreement.
- 4.339. Colleagues, we had a very important discussion today. Our collective effort to reach a meaningful outcome on fisheries subsidies, but we still have a lot of work to do, which is why we should continue to push hard to reach a meaningful outcome on fisheries subsidies ahead of MC12. I appreciated the opportunity to convey Canada's hope on these negotiations and to hear from those around the virtual table.
- 4.340. Reaching an agreement and delivering on SDG 14.6 will help support the livelihoods of countless millions that depend on sustainable fisheries. On top of this, a successful conclusion to the fisheries subsidies negotiations will also support the rules-based international trading system. Canada believes we have a consolidated text that is a good basis on which we can reach an agreement. It's important to get there, and I know we can.
- 4.341. In order to do so, and to close gaps on a consolidated text by MC12, we strongly encourage members to demonstrate flexibility and collaborate and negotiate with the end goal of mutually beneficial compromise. This can happen by MC12 but we need to do this together. As I indicated earlier today, Canada is ready to demonstrate flexibility positions provided that the final agreement remains true to the underlying premise of SDG 14. Canada will continue to engage with all members to reach an agreement as soon as possible ahead of MC12.

- 4.342. H.E. Ms. Assome Aminata Diatta, <u>Minister for Trade and SMEs of Senegal</u>, provided the following statement:
- 4.343. Today's meeting is an opportunity for us, Ministers, to reiterate our commitment to the conclusion of an ambitious agreement on the elimination of subsidies that contribute to illegal, unreported and unregulated (IUU) fishing and those that contribute to overcapacity and overfishing. We agree with you that despite Members' international obligations and their continued efforts to promote responsible and sustainable fisheries, including addressing problems related to illegal and unsustainable fishing, the state of stocks has continued to deteriorate while unsustainable fishing continues.
- 4.344. It is clear that fisheries management has its limits and cannot form the basis for ambitious disciplines on fisheries subsidies at the World Trade Organization. Senegal remains convinced that the WTO's contribution to the sustainability of fisheries resources lies in the clear and simple prohibition of subsidies that increase fishing capacity and activity, with appropriate special and differential treatment for developing and LDC Members that need it. However, in order to reach a conclusion to these negotiations this year, after two decades of discussions, Senegal is ready to make compromises, taking into account our fundamental concerns as described below.
- 4.345. Firstly, the exclusion of artisanal fishing from fisheries subsidies disciplines is necessary. We welcome the amendments to Article 5.5(b) in this regard. However, work remains to be done to ensure that this vulnerable category of fishers is not adversely affected by the disciplines. Secondly, Senegal considers fisheries management as a prerogative of the State in accordance with its international commitments and national law. In this regard, the content and scope of the demonstration referred to in Article 5.1.1 of the current text should be clarified. Senegal has already made textual proposals in this direction and remains available to engage on these bases with Members. For my delegation, the final agreement on fisheries subsidies should include these two elements. To conclude, I would like to reaffirm Senegal's commitment and flexibility to work towards an agreement on fisheries subsidies that is balanced and respectful of international and national laws of the sea and the sovereignty of Members.
- 4.346. H.E. Mr. Rogelio Mayta, <u>Minister for Foreign Affairs of the Plurinational State of Bolivia</u>, provided the following statement:
- 4.347. The situation of fisheries and many other issues at the WTO are essentially a shared responsibility of all Member States. We note with regret that the levels of fisheries subsidies have been maintained for these 20 years since the launch of negotiations in 2001 at the Doha Ministerial Conference. These subsidies have had, and continue to have, a negative impact on sustainable development and the sustainable use of the oceans and their resources. They contribute to overcapacity and overfishing, which in turn threaten the integrity of marine ecosystems, deepening the problem of global climate change. Everything forms a chain, we are all connected, and to minimize the negative effects on Mother Earth is to take care of ourselves.
- 4.348. Effective regulation of illegal, unreported and unregulated (IUU) fishing and the prohibition of certain forms of subsidies are essential to avoid trade distortions. However, it must take into account appropriate and effective special and differential treatment for developing and LDC Members.
- 4.349. Bolivia, as a landlocked developing country (LLDC), faces many challenges, not only in transport, storage and distribution costs but also in terms of dependency on our neighbours, which stems from the situation of seclusion, and it is our duty to safeguard our interests as an LLDC. We therefore reaffirm that these negotiations must include the concerns of all Members, and we believe that we can make a positive contribution to the integration and conclusion of the agreement. Hence we thank Mongolia for the proposal put forward for the inclusion of LLDCs in the text of the agreement, which we fully support.
- 4.350. The COVID-19 pandemic has clearly devastated the economies of many developing and LDC Members. In the case of LLDCs, the impact of the pandemic is compounded by the particular situation of being geographically enclosed. Multilateralism must take steps to move towards economic recovery, and organizations such as the WTO should serve as forums for consultation in this regard. I take this opportunity to ask Members for their real commitment and political will to show the

necessary flexibilities to move forward in these and other discussions that are taking place at the WTO. As is the case with the TRIPS waiver negotiations to address the pandemic, releasing patents for access to vaccines and medicines to control and tackle COVID-19 is an urgent need.

- 4.351. We cannot allow another 20 years to pass in negotiations on these topics of major global importance, or allow delays and lack of political will in many cases to prevent the world's peoples from exercising and guaranteeing their right to health, from taking care of ecosystems, and from making progress towards fairer treatment that will enable the development of our peoples and achieve the goals of the 2030 Agenda. We reiterate Bolivia's commitment to fulfilling the WTO's mandates and once again request Members to demonstrate their flexibility to reach consensus before the Twelfth WTO Ministerial Conference.
- 4.352. The representative of <u>Guatemala</u>, speaking on behalf of H.E. Ms. Alba Edith Flores de Molina, <u>Vice Minister for Integration and International Trade for the Ministry of Economy of Guatemala</u>, provided the following statement:
- 4.353. Regarding your first question, I would like to reaffirm Guatemala's commitment to successfully finalizing the fisheries subsidies negotiations before the end of this year. I'm in close contact with our delegation in Geneva and there should be absolutely no doubt that we are ready to continue contributing and showing the necessary flexibility to conclude these negotiations. I also would like to take this opportunity to remind WTO Members that, after concluding these negotiations, not all of us will be departing from the same starting point. In the case of Guatemala, our fisheries sector is undeveloped and our actual fisheries fleet does not represent a threat to the sustainability of the fish population. Guatemala's fishery sector is not ins a situation of overcapacity and it is not currently providing any fisheries subsidies. This is reflected in our current share of total global catch, which is only 0.02%.
- 4.354. Therefore, for Guatemala is of utmost importance to maintain certain appropriate policy space, which might be necessary to support our fisheries in the future within the parameter of sustainable development and, for this purpose, Guatemala would insist in the provision of certain exceptions to artisanal fisheries in the pillar of overcapacity and overfishing, as well as the possibility of providing subsidies that contribute to the sustainability of the fish populations.
- 4.355. Regarding your second question, Guatemala agrees that a key component of special and differential treatment is for poor and vulnerable artisanal fishers in developing country Members and LDC Members. Any inclusion of a specific treatment for a category of fishermen should take in consideration the main objective of this agreement. As you may recall, Guatemala has been advocating for an exception from some of the disciplines for fishing activities that would take place in the territorial sea, as they are mainly performed by artisanal fishermen. In contrast, Guatemala has not sought, and it is not seeking an overall exclusion of this sector from the disciplines of the agreement. In particular, Guatemala is convinced that there should be no exceptions for the prohibition of subsidies on illegal, unreported and unregulated fishing.
- 4.356. Furthermore, on overcapacity and overfishing, Guatemala believes that the exception that would allow subsidization of artisanal fishermen within the territorial sea is necessary and should not be time-bound. We are particularly pleased to observe that the current revised text, includes these characteristics in both of the alternatives for an article on special and differential treatment. Our expectation is that such special and differential treatment be maintained in the final agreement.
- 4.357. H.E. Dr. Sarquis José Buainain Sarquis, <u>Vice Minister for Foreign Affairs for Foreign Trade and Economic Affairs of Brazil</u>, provided the following statement:
- 4.358. Each year, governments spend an estimated USD 22 billion on capacity-enhancing subsidies that artificially lower fishing costs. Consequently, the percentage of fish stocks within biologically sustainable levels has dropped continuously, and now more than one-third of fish stocks in the oceans are overfished. This deterioration has a serious impact on the livelihoods of millions of people who depend on fishing resources. Guidance for action is already available in the WTO's guiding principles, in the negotiating mandate agreed at the Eleventh WTO Ministerial Conference and in the Sustainable Development Goal 14.6 of the Agenda 2030. What we need now is a collective political will to act accordingly.

- 4.359. Brazil can reaffirm its commitment to conclude the fisheries subsidies negotiations as soon as possible and ahead of MC12. For that to happen, we, WTO Members, need to move much faster. There must be a genuine effort to find landing zones, without compromising sustainability. We should act with a sense of urgency, contributing to enhance the WTO and its role in sustainability as we prepare for COP-26 on climate and COP-15 biodiversity. We believe that the latest revision of the Chair's text contains most of the basic elements necessary to guide us to the appropriate landing zones. As we enter the next phase of the negotiations, it will also be necessary to consider complementary approaches to effectively curb the global quantum of subsidies, so as to achieve credible and concrete outcomes.
- 4.360. Brazil and other Members have proposed mechanisms to reduce and cap fisheries subsidies, in order to complement the core prohibitions and to ensure a high level of sustainability. Brazil is fully open to work in our proposal as well as alternative approaches in order to incorporate this idea in the text on a consensual basis. We also assure you that our Permanent Representative in Geneva has always been fully authorized to contribute and to be flexible in order to conclude the negotiations.
- 4.361. Regarding special and differential treatment provisions, Brazil supports demands for temporary, individualized special and differential treatment, justified by the needs of the Member in question and conditional on the fulfilment of notification obligations. We should avoid, however, horizontal, permanent and automatic exceptions, particularly to subsidies to illegal, unreported and unregulated fishing, as well as to those related to overfished stocks and overfishing and overcapacity. Otherwise, we risk creating carve-outs that may lead to further deterioration of fish stocks. We are, in any case, willing to try the approach suggested by the Chair. If a compromise on special and differential treatment for poor and vulnerable artisanal fishers in developing and LDC Members is enough to bring us over the finishing line, we could take a closer look at the draft language.
- 4.362. H.E. Mr. Mmusi Kgafela, <u>Minister for Investment, Trade and Industry of Botswana</u>, provided the following statement:
- 4.363. According to the mandate given under the WTO's Eleventh Ministerial Conference Declaration and the United Nations Sustainable Development Goal 14.6, an agreement under this discipline was envisaged to be completed in 2020. However due to unforeseen circumstances, including the outbreak of COVID-19 Pandemic, this was not feasible. It is thus imperative that Member States find a level playing field in these negotiations ahead of the upcoming Twelfth Ministerial Conference. As we all work towards achieving the elimination of subsidies given for Illegal, Unreported and Unregulated (IUU) fishing and the prohibition of certain forms of Fisheries Subsidies that contribute to overcapacity and overfishing with Special and Differential Treatment for developing and LDC Members, it is also noteworthy that policy space to develop our fisheries sectors should explicitly be provided for.
- 4.364. It is my considered view that we have reviewed the draft revised text developed and circulated to all of us. I wish that by the end of this meeting we should have reached a compromise position. We cannot afford to miss this opportunity to deliver an agreement at the upcoming Ministerial Conference, after two decades of negotiations. My delegation remains committed to supporting the process and we believe that finding landing zones for possible compromise will help us deliver on this mandate. As I conclude, let me re-assure you and your team of our commitment and support to advancing the work of the WTO and without no doubt, that of the African Group.
- 4.365. H.E. Mrs. Tatiana Clouthier Carrillo, <u>Minister for Economy of Mexico</u>, provided the following statement:
- 4.366. The eyes of the world are on our Organization and our ability to fulfil the mandate given to us. The outcome will lay the foundations for an effective relationship between trade and sustainability. We hope to contribute, together with all of you, to providing the decisive impetus that will contribute to an early and successful conclusion. For this reason, in response to the questions raised for this meeting, I am pleased, first of all, to reaffirm my country's commitment to concluding the negotiations as soon as possible. Our Permanent Representative in Geneva will therefore continue to make a decisive contribution to addressing the outstanding issues in these discussions, in line with our mandate and the interests of our delegation. In this regard, we consider that even if

the consolidated text of 30 June contains elements that reflect the level of disagreement in positions, it represents a solid basis that will allow us, if we all show the necessary flexibility, to find the points of convergence that are essential for concluding the negotiations.

- 4.367. In addition, I think it is important to highlight the central elements that are important for Mexico: Firstly, prohibiting certain forms of fisheries subsidies that contribute to overcapacity and overfishing, as well as eliminating subsidies that contribute to illegal, unreported and unregulated (IUU) fishing. Secondly, achieving an agreement on disciplines regarding overfishing and overcapacity, a sensitive pillar, which constitutes a balance for all Members. This should include elements of sustainability, so that there are incentives to maintain and improve fisheries management measures that contribute to preserving the state of fish stocks at sustainable levels; and lastly, recognizing and addressing the major challenges and implications of including non-specific subsidies in our agreement.
- 4.368. Moreover, special and differential treatment provisions are an essential element in these disciplines. While we recognize that they should be both "appropriate and effective", and address the particular situations of some developing and LDC Members, this should not, in our view, undermine the effectiveness of the disciplines or create undue advantages between Members. In this regard, we agree that one of the key components is the inclusion of flexibilities for artisanal fishers. These must be accompanied by transparency and notification commitments, so that we ensure that flexibilities are actually granted to subsistence or small-scale fishers. In conclusion, Mexico reconfirms its commitment to bringing these negotiations to a successful conclusion. Distinguished Ministers and Heads of Delegation, I invite you to seize the opportunity that exists for the multilateral trading system to contribute to the sustainability of our oceans. The world needs an ambitious outcome and our Organization can deliver it.
- 4.369. H.E. Ms. Mariama Camara, Minister for Trade of Guinea, provided the following statement:
- 4.370. On the basis of the mandate established under the WTO ministerial decision adopted at MC11 as well as target 14.6 of the UN Sustainable Development Goals, negotiators were due to reach an agreement in 2020. Unfortunately, the COVID-19 pandemic has had a negative impact on our economies and is slowing down the negotiating process. Furthermore, it should be noted that the flexibilities needed to reach a consensual conclusion of the fisheries subsidies negotiations have not been observed by all Member States.
- 4.371. For my delegation, there is no doubt that the only way forward remains the common political will of all Member States. That is why the Guinean Government, on whose behalf I speak, supports an agreement establishing rules to eliminate the harmful effects of subsidies to illegal, unreported and unregulated (IUU) fishing and prohibiting certain forms of fisheries subsidies that contribute to overcapacity and overfishing.
- 4.372. It reaffirms the need for special and differential treatment, technical assistance and capacity building for developing and LDC Members taking into account the importance of the fisheries sector for their economic and social development. In conclusion, I express the wish that the current negotiations will conclude very quickly with a view to the effective integration of all developing and LDC Members in the more resilient, equitable, transparent and inclusive multilateral trading system, with a view to stimulating growth and reducing poverty in our States.
- 4.373. H.E. Ms. Maria Ximena Lombana Villalba, <u>Minister for Trade, Industry and Tourism of</u> Colombia, provided the following statement:
- 4.374. Regarding the questions posed, Colombia's concrete reply in all cases is YES. First, Colombia supports the idea of special and differential treatment being centred on the poorest and most vulnerable artisanal fishing communities. Artisanal fishing is not responsible for the current overfishing situation, nor has it endangered marine ecosystems. The current proposal is the correct way to move forward.
- 4.375. Second, Colombia supports text 276 as it currently stands, as the basis for the negotiations. The text covers the main aspects and has an appropriate structure and focus. We must use it to guide our work and our technical and political decision making. In this respect, I fully support the

Geneva based Colombian delegation's active participation in the negotiations in the coming months, with the aim being to finalize the agreement before the Ministerial Conference in December.

- 4.376. Colombia has been a proactive and constructive Member throughout this process and will continue to be. The sustainability of our oceans is a global responsibility, and we must all contribute to achieving this objective. Those who have traditionally provided more subsidies for these activities must, of course, contribute the most.
- 4.377. Colombia has two overriding objectives in these negotiations: to achieve a significant reduction in subsidies that have an adverse impact on fisheries, and to ensure special protection for the high seas and for waters beyond Members' jurisdictions. For the aforementioned reasons we are committed to these negotiations and to accepting new disciplines that will affect and most certainly limit our future subsidy programmes. But we accept this, since multilateral rules must level the playing field and enable everyone to access marine resources on equal terms.
- 4.378. I will therefore conclude my statement by calling upon all Members to be pragmatic and to act in a way befitting this particular moment in history. Some have expressed concern about the flexibilities for large subsidizers that are set out in the text. I would like to point out that the 20 years spent negotiating this agreement have meant 20 years of total laxity for large subsidizers. Not having an agreement is the greatest of exceptions and the worst of scenarios: the unregulated use of public resources over the past 20 years has led to the funding of activities that have left oceans and ecosystems in a perilous state; the past 20 years have worked against artisanal fishers and government budgets.
- 4.379. Failing to finalize this agreement is the worst special treatment we could continue affording to those who abuse global public goods to the detriment of present and future generations. These negotiations will, to a large extent, define the relevance and future of the WTO. The time has come to reaffirm the role of multilateralism in providing a concrete response to global challenges. The hollow discourse cannot continue; we need concrete action and must realize that perfect is often the enemy of good. This has us stuck with the worst of the alternatives. We must conclude these negotiations, on the basis of the current text, before December.
- 4.380. H.E. Mr. Raúl Cano Ricciardi, <u>Vice Minister for Economic Affairs and Integration for the</u> Ministry of Foreign Affairs of Paraguay, provided the following statement:
- 4.381. Paraguay associates itself with the statement made by Mongolia on behalf of the Group of Landlocked Developing Countries (LLDCs). In response to the questions circulated for this discussion, Paraguay firstly reaffirms its commitment to concluding the negotiations before the Ministerial Conference scheduled for the end of this year and confirms that the basic elements presented in the revised text are landing zones that are acceptable to my delegation. Secondly, we can agree that the key component of special and differential treatment is for poor and vulnerable artisanal fishers in developing and LDC Members.
- 4.382. My delegation supports the significant regulation of subsidies that deplete fish stocks at a rate that prevents them from replenishing, producing serious environmental consequences, which in turn has an impact on the economic and social development of all Members, regardless of whether they have access to the sea. Paraguay has placed its faith in international trade as a tool for promoting its economic development, and firmly believes that WTO Members have the capacity to contribute to these objectives by negotiating relevant agreements that genuinely incorporate the sustainable development dimension and ultimately support the goal set by SDG target 14.6 of the 2030 Agenda, prohibiting these subsidies.
- 4.383. In light of this context, we wish to forestall the impact of the results of these negotiations on the historical rights recognized for LLDCs under public international law, such as the right of access to the sea, freedom of navigation and transit, freedom to engage in fishing, freedom of scientific research in other words, the capacity to participate in these economic activities in a sustainable and equitable manner and in line with the principles of the multilateral trading system. Our proposal 130 and the text TN/RL/W/276/Rev.1 contain the basic elements that we hope can be considered favourably by the Members. It is key for LLDCs to maintain Article 11.1 in the negotiating text. Our delegation is ready to accelerate the discussion with a constructive approach and undertakes to demonstrate as much flexibility as possible.

- 4.384. LLDCs represent a vulnerable group with a share of around 1% of world trade. We face additional obstacles on account of the geographical location that isolates us from important markets, generates extra costs in transit, and makes our products less competitive. We are conditioned by our landlocked situation, which makes it even more challenging to build the capacity to diversify our economies. For this reason, we believe that the contribution of the rules that we are negotiating at the WTO can have a multiplier effect, and the inclusive message of "leaving nobody behind", not even the vulnerable populations of Members without direct access to the sea, would provide the platform for the WTO to send a positive signal of being an organization that encompasses everyone, including Members marked by geography with trade barriers that they have to overcome in the gruelling race towards economic recovery.
- 4.385. H.E. Mr. Felipe Solá, <u>Minister for Foreign Affairs</u>, <u>International Trade and Worship of Argentina</u>, <u>also speaking on behalf of the members of the group of six Latin American countries (6Lat) Argentina</u>, <u>Colombia</u>, <u>Costa Rica</u>, <u>Panama</u>, <u>Peru</u> and <u>Uruguay</u>, provided the following statement:
- 4.386. The 6Lat are a group of Latin American countries that decided to join together over four years ago to engage in a coordinated manner in the negotiations on this Agreement. We are a constructive group, seeking to build bridges and pursue an ambitious outcome in these negotiations. In 2017, we submitted a full draft text of an agreement that has served as the basis for the collective discussions and for many of the developments thus far.
- 4.387. The circumstances that enabled us to join forces at that time are still valid today: As the 6Lat we understand how essential it is to eliminate all state subsidies to IUU fishing practices. We have also reiterated the importance of prohibiting subsidies that affect overfished stocks and those that contribute to overcapacity, and the particular need to eliminate subsidies to large fleets operating on the high seas, and especially in distant waters. We have highlighted the need for better scrutiny of RFMO competences and proposed a number of elements that would ensure that Members are not bound by the measures or decisions of the RFMOs to which we do not belong, unless otherwise provided for in the Agreement. We hope to see this reflected in the Agreement. Our group has highlighted the importance of recognizing the work and value of artisanal fishing communities, and also the need for the text to state that the Agreement will have no legal implications regarding claims of territoriality or the delimitation of maritime boundaries.
- 4.388. Using this draft text as a basis, we have continued to build and seek a middle ground among the different Members of the Organization. We have always had a high level of ambition, recognizing that we are developing countries with particular and complex needs, and without losing sight of the fact that multilateral processes require pragmatism and flexibility to find appropriate solutions for all.
- 4.389. The 6Lat will continue to work together. From our perspective, the status quo is the worst case scenario. We call on all those concerned about the current state of marine ecosystems, and the existence of subsidies to large fishing fleets that ply the seas and exploit their resources unchecked, to recognize that the current situation is the worst case scenario. Today, no discipline applies to them, and each additional day that passes without us reaching an agreement puts the sustainability of our oceans in jeopardy. Failure to conclude this agreement gives *de facto* special treatment to the major subsidizers to the detriment of present and future generations. This is why we would like to call on you collectively to be pragmatic and realistic, as well as responsible. The next step after this Ministerial Meeting can only be the final conclusion of the Agreement. We must conclude these negotiations before MC12. You can count on the 6Lat group on this.
- 4.390. Speaking on behalf of Argentina, the following statement was made:
- 4.391. Argentina reaffirms its commitment to continuing to do its utmost to ensure that, before the Twelfth WTO Ministerial Conference, we can conclude a multilateral agreement establishing specific prohibitions on subsidies in connection with illegal, unreported and unregulated fishing of overfished fish stocks, and on subsidies concerning overcapacity and overfishing. The significant negative impact that these subsidies have on fisheries makes it imperative to reach an agreement to eliminate them. Much of these subsidies support fleets fishing on the high seas, particularly in distant waters, and primarily in areas adjacent to exclusive economic zones, with serious negative

consequences for the sustainability of the oceans, seas, marine resources and for the development of the country concerned.

- 4.392. Furthermore, Argentina wishes to reiterate the importance of artisanal and subsistence fishing from a social and economic point of view, considering that the key component of special and differential treatment should apply to poor and vulnerable artisanal fishers in developing and least-developed Members. This is notwithstanding what has already been stated by our country on the need to eliminate, without exception, subsidies to illegal fishing.
- 4.393. We consider that, due to the nature of the negotiations, the text of the future instrument must cover aspects that are deemed to be of extreme sensitivity for Members. In other words, the text will not have legal implications regarding claims of territoriality or the delimitation of maritime jurisdictions. Argentina therefore considers it of the utmost importance for the text to contain a clear and specific safeguard in this regard. As far as regional fisheries management organizations or agreements (RFMO/As) are concerned, there is an uneven development and functioning of RFMO/As and not all WTO Members are part of such schemes. In view of this, it is crucial for the future instrument to provide that RFMO/A measures or decisions are not enforceable against non-party States.
- 4.394. Finally, I would like to stress that Argentina, as a coastal country with an extensive maritime coastline, has participated actively and will continue to do so in the negotiations. It has done so through specific proposals, which allow flexibility, in order to identify elements of convergence among the Membership to enable it to reach an ambitious agreement that contributes to the sustainability of the oceans and their resources and to eliminate these trade-distorting practices affecting international fisheries trade.
- 4.395. H.E. Ambassador Katherine Tai, <u>United States Trade Representative</u>, provided the following statement:
- 4.396. With respect to the first question, the United States is committed to working together with all WTO Members to finally reach a conclusion to these longstanding negotiations, but it must be a meaningful conclusion. Protecting the sustainability of our fisheries resources and positively impacting our fishers and workers are critical for an outcome to be considered meaningful. It is for precisely these reasons that WTO Members must ask whether the current negotiating text reflects the best we can do after 20 years of negotiations.
- 4.397. Although it includes some of the basic elements needed to reach a meaningful conclusion, our work is not yet done, as other key elements are still missing. And so, our answer to the first question, at this point, is "not yet". We agree this text can serve as the basis for a Member-led, text-based negotiation, but it does not yet contain the elements required for reaching conclusion. We, as Members, have an opportunity to show the world that the WTO can attain meaningful results.
- 4.398. This is why, in addition to pushing for effective disciplines on the most harmful fisheries subsidies, the United States has proposed a targeted approach to ensure that highlighting and addressing the use of forced labour on fishing vessels are part of any outcome. Forced labour is a serious problem in the fisheries sector. It is a practice that affects economic competition; it is an unfair trade practice and an unconscionable exploitation. Acknowledging it as such is an important way that the WTO can positively impact the lives and livelihoods of our fishers and workers.
- 4.399. There are other key elements missing from the current text, and we hope to have a text-based negotiation so these can be reflected in the text. Significant shortcomings must be addressed if we are to successfully conclude these negotiations, and there is limited time before MC12. Trade negotiations are hard work. Let's do the hard work together to achieve the most meaningful outcome possible here. The United States is committed to continuing to work constructively with Members towards this goal.
- 4.400. With respect to the second question, we certainly agree that we must consider the potential impact of any future disciplines on our workers and fishers, including economically-disadvantaged communities that depend on fishing for their livelihoods. These communities perhaps have the most to lose if Members fail to achieve a meaningful outcome that actually improves the status quo and the sustainability of fisheries resources. And while we must ensure that we address the legitimate

needs and concerns of these communities, prohibiting the most harmful subsidies will be critical, in order to preserve the very resources on which they depend. We're not helping anyone if there are no fish in the oceans to catch.

- 4.401. Flexibilities for certain developing county Members with demonstrated needs can serve a valid purpose. However, these negotiations are about prohibiting harmful fisheries subsidies and should not result in an outcome that locks in the status quo or, worse, provides the WTO's blessing to continue providing such subsidies without regard to sustainability in perpetuity.
- 4.402. The United States believes that a blanket approach with permanent carveouts is neither appropriate nor effective given the purpose of this agreement. Moreover, it does not reflect the reality that some self-declared developing country Members are among the largest producers and subsidizers or among the wealthiest or more significant Members of this organization. We are prepared to consider flexibilities for particularized situations that does not result in the pitfalls of a blanket approach.
- 4.403. Is it enough to have an agreement for agreement's sake? We firmly believe that collectively, we deserve and can achieve more. WTO Members have the opportunity to produce an agreement that can make a serious and credible contribution to ending harmful fisheries subsidies. Those subsidies enable the use of forced labour and threaten the sustainability of our marine resources.
- 4.404. The United States wants a 'win' for the WTO, for the fish, and for workers. We believe it is within reach, but it will require all Members to make and support improvements to the text that will lead us to a meaningful outcome. After 20 years, we owe it to our oceans and our citizens who depend on them to finally deliver such an outcome.
- 4.405. The representative of <u>Panama</u>, speaking on behalf of H.E. Mr. Ramon Martinez, <u>Minister for Trade and Industry of Panama</u>, provided the following statement:
- 4.406. The WTO has a key mandate and role in achieving effective and ambitious disciplines on certain fisheries subsidies that are particularly harmful to the marine ecosystem. The Chair's text contains some elements that may represent landing zones in our negotiations. However, other elements are far from having the consensus of Members. For example, Article 5.4, on subsidies to vessels not flying the flag of the subsidizing Member, should not be part of our final text, as it does not relate to the mandate and objectives of the instrument we are negotiating. In a spirit of constructive engagement, Panama has submitted a counter proposal that addresses the concerns of the proponents of Article 5.4, based on the responsibility of subsidizing Members to make their support conditional on the beneficiaries complying with international obligations and standards, and their requirement to verify their compliance. In order to conclude negotiations successfully, delegations must show adherence to the mandate, pragmatism and greater flexibility, leaving aside positions that do not enjoy sufficient support to move forward.
- 4.407. Panama recognizes the importance of special and differential treatment to enable developing and LDC Members to integrate into the international trading system. However, special treatment should not jeopardize the ambition and effectiveness of the resulting instrument. The flexibilities agreed should promote compliance by all Members with the disciplines and objectives of the instrument to be agreed, which are not exclusively economic. Artisanal fisheries is a critical sector for the social and economic development of communities around the world that depend on this activity. Any special treatment given to this facet of fisheries must, for this very reason, be environmentally sustainable. We do not support total exemptions or geographical exemptions when it is merely a case of high seas fishing, or fishing in territorial waters or in an exclusive economic zone. Similarly, we do not support flexibilities for illegal, unreported and unregulated fishing.
- 4.408. In conclusion, Panama hopes that this meeting will lead to us beginning a negotiating process based on a text containing Members' specific proposals. My delegation supports the Chair's efforts to organize a variety of meetings, respecting transparency and inclusiveness, automatically informing Members of any meetings that are not open ended, as well as of their outcomes. As the Minister responsible for these negotiations for Panama, I have authorized the Ambassador to the WTO to continue to represent Panama in a constructive spirit with a view to concluding these negotiations. Dr. Okonjo-Iweala, you can count on Panama's support and commitment to do its utmost to reach the consensus needed to conclude the fisheries subsidies negotiations no later than

during the Twelfth Ministerial Meeting. We look forward to your suggestions on the next steps in this process.

- 4.409. H.E. The Honourable Clarence Rambharat, <u>Minister for Agriculture</u>, <u>Land and Fisheries of Trinidad and Tobago</u>, provided the following statement:
- 4.410. We wish to align ourselves with the comments and positions of the ACP and CARICOM Groups. Trinidad and Tobago remains committed to the mandate to discipline harmful fisheries subsidies and to reaching an agreement by MC12. With the twenty-plus years of the negotiations, and the mass of data available on fish stocks, we believe that there is a clear need to urgently discipline fisheries subsidies. We acknowledge that there are varied interests in the negotiations and recognize that flexibility and creativity are needed to successfully conclude a meaningful agreement by the end of this year an agreement that would effectively discipline fisheries subsidies. For this to be achieved, Members that contribute most to the problem must play a greater role in the solution.
- 4.411. Trinidad and Tobago's contribution to global fish catches is minuscule, estimated at less than 0.02%. Our country does not contribute significantly to global fish catches and our fleet is predominantly artisanal in nature with over 95% of vessels fishing in waters under national jurisdiction. Whilst the fishing may be of a commercial undertaking, in the wider global context, it is characteristically barely above subsistence level. Compared to other fishing nations, our subsidies and fish catches are very small, but the fisheries resources are key to the livelihood and wellbeing of our people, particularly to coastal and rural communities. Accordingly, we need more policy space than is provided in the current draft text and our positions would be explained as we respond to the Chair's question.
- 4.412. With respect to the first question posed by Ambassador Wills for a mandate of greater flexibility to be afforded to our Head of Delegation in Geneva, we can afford some flexibility. This flexibility has its limits as there remain issues that are critical to the very survival of our people. There is also a requirement for the necessary policy space for our economic development.
- 4.413. In relation to the second question posed, Trinidad and Tobago agrees that the key elements of Special and Differential Treatment (S&DT) are specifically for poor and vulnerable artisanal fishers in developing country Members and LDC Members. Developing and LDC Members must be given the necessary S&DT in the text. Of concern to Trinidad and Tobago is the definition of artisanal fishing. There is a need to clarify this definition, for it directly impacts the obligations that developing country Members who are Small Island Developing States (SIDS) and Small and Vulnerable Economies (SVEs), may have to undertake.
- 4.414. On the subject of transparency and notification requirements detailed in Article 8.1, we believe that they are onerous, and if an exemption cannot be achieved for developing and LDC Members, then softer, best endeavour language should be negotiated. In closing, I hope that we will see our views reflected in future drafts and Trinidad and Tobago remains committed to the conclusion of the negotiations.
- 4.415. H.E. Mr. Julio Jose Prado, <u>Minister for Production</u>, <u>Foreign Trade</u>, <u>Investments and Fisheries</u> <u>of Ecuador</u>, provided the following statement:
- 4.416. Ecuador's public policy on fisheries aims to promote a blue economy, directed towards the responsible management of marine resources in order to preserve the biodiversity of our oceans. With regard to the first question raised by the Chair of the Negotiating Group on Fisheries Subsidies, Ecuador reaffirms its commitment to concluding the negotiations, in line with SDG target 14.6 and the Hong Kong and Buenos Aires ministerial mandates and given the urgent need for an instrument that creates a positive impact on the sustainability of the seas, and access for all Members to fisheries resources and fishing activities, primarily for the fisheries of low income communities.
- 4.417. For Ecuador, the disciplines to be agreed should be proportionate to the commitments undertaken, fish capture world share and the amounts of subsidies granted. The top 10 countries for marine capture fisheries account for 64% of total world production, and approximately 62% of the total amount of fisheries subsidies, according to international estimates. The Chair's current proposed working document serves as a good basis for further negotiations. While it is true that there are significant differences among Members, we call on them to make every effort to overcome

them. Let us address these issues and find creative alternatives and the flexibilities needed to agree on disciplines to enable us to achieve the objectives set, and which are in turn adapted to the realities and capacities of Members.

- 4.418. Our country considers that negotiations are urgently needed to establish a multilateral trading system instrument to enable participation in actions by governments and international organizations to combat illegal, unreported and unregulated fishing, and to help to reduce pressure on fish stocks subjected to overexploitation, overcapacity and overfishing, by regulating the granting of huge subsidies on a large scale. As heads of delegation, we must show openness to reaching understandings that will lead to the conclusion of a process that has been going on for two decades, and which is, moreover, a commitment of our States and governments.
- 4.419. Regarding the second question raised by the Chair of the Negotiating Group, Ecuador wishes to highlight the importance of artisanal fishing to development in Members. Over 20 million families rely on this activity worldwide; therefore, state decisions and policies are directly linked to poverty reduction and to fishing as a means of subsistence and food security. We believe that the Agreement should echo compliance with SDG target 14.b, which specifically requires that access for small scale artisanal fishers to marine resources and markets be provided. The importance of artisanal fisheries, which are highly sensitive to external conditions, and their recognition as a key part of the Agreement under negotiation, is a step towards the adoption of a fair policy.
- 4.420. Ecuador has actively participated in the negotiations and working groups established to achieve the objective for which we have been convened here today. We have presented proposals, alternatives and technical analyses that would lead to an effective implementation of the Agreement, especially with regard to the understanding of artisanal fisheries together with Argentina and Chile. We invite Members to consider the concrete proposal that is aimed at fully achieving SDG target 14.6: eliminating subsidies that contribute to illegal, unreported and unregulated fishing, and providing guarantees of access to artisanal fisheries.
- 4.421. H.E. Mr. Francisco Bustillo Bonasso, <u>Minister for Foreign Affairs of Uruguay</u>, provided the following statement:
- 4.422. After 20 years of tough negotiations, WTO Members have a responsibility to move decisively towards a new set of rules to prohibit certain forms of fisheries subsidies that contribute to overcapacity and overfishing, and to eliminate subsidies that contribute to illegal, unreported and unregulated fishing, in line with the SDG target 14.6 mandate. We hope that this meeting will be a turning point in reaching an historic agreement that will genuinely protect the ability of the oceans to provide food, jobs and income for countless communities around the world.
- 4.423. This meeting should allow us to achieve greater convergence, to adopt a pragmatic and flexible approach to drafting the outcomes we can achieve, without sacrificing a high level of ambition in the disciplines we hope to establish as a result of the negotiations. Uruguay affirms its commitment to concluding the negotiations on fisheries subsidies before the Twelfth Ministerial Conference, with a commitment to seeking and agreeing on a text with which, ultimately, all delegations can live, even if it does not exactly reflect the preferences of any one delegation. Only under this approach will we be able to contribute to the change needed in the current status quo.
- 4.424. The Chair's current draft text represents a genuine effort to fulfil our mandate, taking account of the various existing positions. We believe that the basic elements in the agreement's structure are reflected in the text. For Uruguay, ensuring that the provisions on the high seas include ambitious protection is crucial, as this is the most important reason why we are engaged in negotiations to curb fisheries subsidies. This area of the disciplines has perhaps the greatest potential to make a significant impact on the state of the oceans and the livelihoods of fishing communities.
- 4.425. Uruguay will continue to pay particular attention to the rules on overcapacity and overfishing, due to the tangible effect they can have on the sustainability of fisheries subsidies. Furthermore, this is an area where development challenges need to be effectively addressed. Globally, overfishing and overcapacity are being exacerbated by illegal, unreported and unregulated fishing practices that violate national or international laws and undermine efforts to manage fisheries sustainably. Any action taken as a result of a determination of illegal fishing must be a preventive, swift and effective deterrent.

- 4.426. Uruguay reiterates the social and economic importance of artisanal and subsistence fisheries. Artisanal fisheries serve as an economic and social engine, providing food security, employment and livelihoods for coastal communities, and other multiplier effects for local economies. We consider it key that the instrument under negotiation provides for flexibility to take these activities into account. At the same time, it is essential to strike a balance between protecting artisanal fishers and meeting the objective of sustainability. Policy space will also be needed to address the needs and specificities of this type of activities.
- 4.427. A key challenge remains, which is to balance the insistence of many Members, both developed and developing, on retaining domestic policy space on the one hand, against the goals of sustainability and equity on the other. In meeting this challenge, in Uruguay's view we must keep in mind the central purpose of these negotiations: to eliminate harmful fisheries subsidies and deliver on the SDG target 14.6 mandate.
- 4.428. Our goal, going forward, will be to find common ground to reach an agreement that will lead to concrete benefits for global fish stocks and forge new rules for current and future generations. In this respect, let us not forget that the responsibility lies with us, the Members, and a viable solution can only be found if we move away from extreme positions and accept the need for compromise in order to achieve our goal.
- 4.429. The most important thing is to maintain momentum and forge full steam ahead with the negotiations. The fact that we have not been able to meet the deadline set by our Heads of Government should spur us on to redouble our efforts and show the relevance of the WTO in dealing with issues that affect us all. To this end, we must authorize our Heads of Delegation in Geneva to demonstrate the flexibility needed to bring these negotiations to a successful conclusion.
- 4.430. H.E. Mr. Mohamed Warsama Dirieh, <u>Minister for Trade and Tourism of Djibouti</u>, provided the following statement:
- 4.431. Djibouti aligns itself with the statements made on behalf of the ACP, African and LDC Groups. Furthermore, Djibouti supports the conclusion of an agreement on the elimination of fisheries subsidies that delivers on Sustainable Development Goal 14.6 as soon as possible and on the basis of a revised and balanced text that takes into account the proposals put forward on our behalf. For Djibouti, it is important to explicitly state that artisanal and small scale fisheries are excluded from the scope of application in Article 1 of the text under negotiation. It is crucial that the focus of the agreement to be concluded should remain on the prohibition of certain forms of fisheries subsidies that contribute to IUU fishing and should recognize appropriate and effective special and differential treatment for the Members most in need, including African developing countries and LDCs.
- 4.432. In Djibouti, artisanal fishing is currently the only commercial activity permitted in the fisheries sector and is practised by local fishermen. The latter is essentially subsistence fishing providing a relatively steady income to fishing dependent communities. Djibouti therefore urges all Members to adequately take into account the economic, social and environmental dimensions of artisanal and small scale fisheries in food security programmes. The fisheries sector has great potential and remains a strategic sector for economic development in Djibouti. We are faced with a lack of diversity in fishers' means of production. The text must therefore guarantee policy space for development, to build and support the development of this sector in our EEZ, at the appropriate time. Furthermore, it is clear that not all of us will have the same capacity to implement the disciplines set out in the text. The text must therefore take into account different levels of development and technical competence and achievements in fisheries data management.
- 4.433. It is important that the negotiated rules on fisheries explicitly preserve the sovereign rights of each country in accordance with relevant international law and reaffirm the primacy of coastal State determinations. Djibouti hopes for a successful conclusion of the fisheries negotiations through an agreement that all Members will be able to own and implement. This requires the political will and constructive engagement of us all.

- 4.434. The representative of the <u>Dominican Republic</u>, speaking on behalf of H.E. Mr. Limber Cruz, <u>Minister for Agriculture of the Dominican Republic</u>, provided the following statement:
- 4.435. Our answer to the first question is as follows: we largely support the current text and consider that it is the appropriate document for further progress in the fisheries subsidies negotiations, on the understanding that flexibilities should not only be required from Members that are contributing less to fisheries related problems but that these requirements should also be applied to Members with modern, large scale fishing fleets. And our answer to the second question is as follows: The Dominican Republic calls for its artisanal fishing sector, like that of other developing and LDC Members, to remain outside the scope of the provisions of the discipline. In this regard, we express our reservations and concerns regarding Article 5.1(a), (b), (d) and (h) and also Article 5.2 of the text.
- 4.436. We also seek the inclusion of provisions on special and differential treatment so that our fisheries, which do not receive subsidies, can be adapted and modernized to carry out fishing activities within the framework of sustainability, the right to fair work and safety at sea, as well as the incorporation of Fisheries Management Organizations beyond national jurisdiction. For these reasons, special and differential treatment should be included in the provisions of Articles 3.6, 3.8 and 4.4 of the text of the Agreement.
- 4.437. The Dominican Republic's interest is focused on ensuring that illegality in fishing operations can be eradicated from our seas, because of the huge negative impact of this poaching activity on fisheries resources, with the ensuing economic loss for fishing communities and national economies. We would like to stress that the proposed limit of 12 nautical miles for the application of exceptions to the discipline does not satisfy the interests of our artisanal fishing sector, whose activity goes beyond that limit, within the archipelagic waters under its jurisdiction.
- 4.438. For our delegation, the provisions of the disciplines on fisheries subsidies, especially for developing and LDC Members, should not be so onerous as to make it extremely difficult to ensure compliance and effective implementation. This is the case for the provisions of Article 8.1 concerning notification and transparency; these are principles that we support but we understand that they must be objective and realistic as regards compliance with them by developing and LDC Members. The Dominican Republic is ready and prepared to engage proactively in the development of a text that is favourable for all WTO Members.
- 4.439. Lastly, we would like to place on record that our delegation shares the positions of the ACP Group with which it shares hopes and concerns on this issue. It also shares with other delegations the Dominican people's aspiration that this spirit of collaboration and joint negotiation will continue to contribute towards ensuring that the decisions taken within the WTO can ensure the continuity of state actions aimed at reducing absolute poverty in our fishing communities, and that the negotiations culminate, primarily, in the elimination of harmful subsidies in the fisheries sector, and enable the creation of spaces for the implementation of public policies focused on the appropriate development of the fisheries sector in developing and LDC Members.
- 4.440. H.E. Mr. Ali Djadda Kampard, <u>Minister for Trade and Industry of Chad</u>, <u>also speaking on behalf of the LDC Group</u>, provided the following statement:
- 4.441. The LDC Group also attaches high importance to these negotiations, and we have been active over the years in the pursuit of an ambitious outcome that is consistent with the Hong Kong Ministerial Declaration and United Nations SDG target 14.6. Such an outcome should first and foremost effectively discipline subsidies to large-scale deep-sea fishing operations that threaten the sustainability of shared stocks and the livelihoods of our coastal communities. Our Group is ready to negotiate with other Members on the basis of a revised and more balanced text, with a view to achieving an outcome in line with our mandate, by the Twelfth Ministerial Conference. We have shown flexibility throughout the negotiations and are ready to remain constructive. In this context, be assured that our Group of Ambassadors in Geneva, through the assistance of their technical experts, will contribute to the flexibility needed to conclude these negotiations.
- 4.442. With regard to special and differential treatment, as you are aware, this element is an essential part of our mandate and must be part of any outcome. We recognize that this is a difficult issue not only in the negotiations on fisheries subsidies but in the WTO as a whole, but we hope

that Members will show the necessary flexibility to deliver on this element of the mandate that is crucial for developing and LDC Members. Addressing the specific concerns of artisanal fishers, including poor and vulnerable fishers, is clearly a key element of special and differential treatment, but not the only one. As you know, the fishing fleets of many LDCs remain largely underdeveloped and do not allow them to benefit fully from the sector's potential.

- 4.443. LDCs are not the main cause of overcapacity and overfishing and should not be penalized for this in their future development. It is therefore vital that LDCs are given sufficient flexibility to support the development of their fleets to sustainable levels. In this respect, an exemption under the main prohibition of subsidies that contribute to overcapacity and overfishing as contained in Article 5.5 (a) of the Chair's revised text is an equally important element of special and differential treatment.
- 4.444. Let me conclude by stressing the importance of effective technical assistance and capacity building to implement any outcome of these negotiations. In this regard, we strongly support the new language in the Chair's revised text proposing the establishment of a voluntary WTO financing mechanism in collaboration with the relevant international organizations to help our Members in implementing the future agreement. On behalf of the LDC Group, let me thank you once again for the opportunity to share these general views, and be assured that we will continue to engage constructively as a Group towards the conclusion of these important negotiations
- 4.445. H.E. The Honourable Keisal Peters, <u>Minister of State with Responsibility for Foreign Affairs and Foreign Trade of St. Vincent and the Grenadines</u>, <u>also speaking on behalf of the Organization of Eastern Caribbean States</u>, provided the following statement:
- 4.446. We align ourselves with the statements by the Honourable Ministers of Guyana and Jamaica on behalf of CARICOM and the ACP respectively. After 20 years of negotiations and the untamed over-exploitation of global fish stocks, it is well past time for us to bring an end to unsustainable fisheries subsidies. The urgency is clear, and the time to act is now, if we are to preserve our marine resources for future generations. We further recognise the attempts that have been made to bridge the divergent positions of Members in the current text. For instance, notwithstanding some outstanding areas of concern, there is consensus around many elements of Articles 1 and 2 on Scope and Definitions, respectively. There also appears to be broad consensus that vessels found engaged in illegal, unreported and unregulated fishing should not be receiving government support.
- 4.447. While we appreciate some notable steps forward in the text and acknowledge that landing zones are in sight, for OECS Member States a number of critical elements remain outstanding. OECS Member States are prepared to make every effort to bridge the remaining gaps in pursuit of a workable outcome. The emphasis here for us is 'Workable'. In giving our best efforts to honour this commitment, we must ensure that a few core principles are safeguarded.
- 4.448. First, the agreement must be proportionate in its application. By this, we mean that major subsidizers should not be allowed to pay a lesser price than developing Members based on the current formulation of the prohibition as contained in Article 5.1.1. We see this as an *inversion* of responsibility. Second, we must be satisfied that our mandate with respect to special and differential treatment (S&DT), which directs us to ensure that S&DT must be *appropriate and effective*, is achieved. Unfortunately, our assessment is that the current formulations of S&DT in the current Chair's text do not meet with our expectations. We welcome the inclusion of Article 7 on Technical Assistance and Capacity Building and commend your efforts at resourcing the interventions required to implement the agreement. Let me be equally clear, while we welcome this positive step, it cannot come at the cost of Special and Differential Treatment and must be meaningful and accessible. Third, we must also be mindful of imposing onerous notification and transparency requirements on small and capacity constrained public administrations like ours. Specific to the question about flexibility, it is important to note that our representatives in Geneva will continue to be guided by our national and regional consultative processes, priorities, and interests.
- 4.449. On the second question, artisanal fishing is of vital importance to the OECS. We have long been advocates of an artisanal carveout in these negotiations. However, an artisanal carveout cannot be the key component of S&DT. OECS Member States are very small players in the context of the overall global fishing industry. For the years between 1950 and 2016, OECS Members accounted for

just 0.013 percent of global total fish catch. This is an indication of our negligible contribution to the global problem of overfishing and overcapacity.

- 4.450. Many other developing and LDC Members also contribute very little to this problem. Therefore, our approach to S&DT must allow us to maintain the policy space to develop our fishing industries. As such, elements of S&DT which we have long supported, such as an acceptable *de minimis* as a standalone component of S&DT, needs to be properly reflected in the text. As I close, let me reiterate the commitment of the OECS to a successful outcome in these negotiations. I am positive on the steps that we have taken in the past months but equally note that while the landing zone is in sight, we are not there yet. To achieve an acceptable outcome, we have to exercise due care to ensure that the current imbalances in the text are rectified.
- 4.451. H.E. Mr. Ramon Cervantes, <u>Minister of State for the Ministry of Foreign Affairs and Foreign Trade and Immigration of Belize</u>, provided the following statement:
- 4.452. Belize fully supports the statement made by the Foreign Minister of Guyana, the Hon. Hugh Todd on behalf of our Caribbean Community (CARICOM) and aligns itself with the statement made on behalf of the African Caribbean and Pacific (ACP) States Grouping. We anticipate a favourable outcome before the Twelfth Ministerial Conference with a solution that rightly balances sustainability and development by prohibiting and eliminating harmful subsidies that contribute to overcapacity, overfishing, and Illegal, Unreported and Unregulated (IUU) fishing while supporting artisanal and small-scale fishers. The basic elements of the text provide some landing area in the negotiations, however further adjustments are required to reflect the views and overarching concerns of small and vulnerable states like Belize.
- 4.453. Secondly, to this end, appropriate and effective Special and Differential Treatment provisions and the adoption of the principle of proportionate burden and responsibility-sharing, should be outlined in the new rules at the WTO. We should take into account the poor and vulnerable artisanal and small fishers and their operations within sovereign jurisdictions, which extend beyond the territorial seas and include Exclusive Economic Zones (EEZ). Belize's fishing industry is primarily artisanal and directly supports small scale fishers and the livelihood of over 15,000 Belizeans. Supporting the fisheries sector is of critical importance as it contributes significantly to the socioeconomic well-being of fisher folks and their families. Therefore, Belize wishes to see the proposal on de minimis be placed in the text, exempting small players that have negligibly contributed to the severely exploited marine resources.
- 4.454. Further, we stress the fact that small and vulnerable countries, like Belize, account for a much smaller share of global marine capture production with an insignificant level of fisheries subsidization. In this light, Belize stresses that the core disciplines envisaged for this agreement should be targeted at large-scale, industrial, distant-water fishing nations which have been most responsible for the over-exploitation of the world's fishing resources. In conclusion, Belize reiterates its support of the statements by CARICOM and the ACP Group. We recognize that the global challenge of having disturbingly high levels of overfishing which has negatively impacted ecological sustainability, food security, livelihoods, incomes, and jobs; has been caused in large measure by large distant-water fishing nations. We call for flexibility, inclusion and transparency to reach an effective solution to our mutual benefit. Rest assured, Belize will continue to engage constructively in these fisheries subsidies negotiations and remains committed to their successful conclusion.
- 4.455. H.E. Mr. Andres Valenciano Yamuni, <u>Minister for Foreign Trade of Costa Rica</u>, provided the following statement:
- 4.456. As already indicated, Costa Rica associates itself with the statement made by Argentina on behalf of members of the 6Lat group. Costa Rica has maintained a constructive spirit throughout the negotiations, aimed at fostering a level of ambition that will ensure the future sustainability of global fisheries resources. In this connection, I reiterate Costa Rica's commitment to making every effort to conclude the negotiations on fisheries subsidies no later than during the Twelfth WTO Ministerial Conference. Our ambassador to the WTO, Ms Gloria Abraham, and her team in Geneva have all the knowledge and technical expertise to contribute actively to achieving this objective, and I have every confidence in their ability to do so.

- 4.457. Moreover, as Minister for Foreign Trade, I would particularly like to thank Ambassador Wills of Colombia for all his efforts and dedication over recent months and I urge him to continue leading these negotiations with the same spirit and commitment that he has shown so far. The current draft text contains the elements needed to be able to reach an agreement. While there are still some important differences that will require us to exercise greater flexibility, the current text should be the basis for our discussions. We therefore call for pragmatism in order to reach an early conclusion to the negotiations.
- 4.458. Without prejudice to the foregoing, it should be mentioned that addressing the disciplines applicable to artisanal fishing is an essential component of these negotiations, having the potential to open up important opportunities for the coastal communities particularly in developing and LDC Members. According to recent studies, large-scale industrial fishing is the foremost recipient of global subsidies. By contrast, small-scale fishing, including artisanal fishing, receives less than 19% of total fisheries subsidies granted at the global level. We must therefore direct our best efforts toward ensuring that the disciplines we agree upon focus on large-scale industrial fishing in international waters.
- 4.459. Costa Rica therefore understands the reasons for the inclusion of differentiated disciplines for artisanal fishing. We should not lose sight of this, that even artisanal fishing could have a negative impact on the sustainability of fisheries resources. We therefore make a respectful but fervent call for caution when considering expanding disciplines in favour of artisanal fishing beyond what is currently established in the draft consolidated text.
- 4.460. There is no such thing as a perfect agreement, either in these or in any other negotiations. Let us not lose sight of the fact that the best agreements are those that are adopted. The sustainability of fisheries resources is and should continue to be our guide along this path. For this reason there is no justification for sacrificing the requisite minimum level of ambition by the mere fact of precipitating the conclusion of an agreement that would not have an impact consistent with our level of ambition and would therefore undermine our credibility in the eyes of the international community. As Sir David Attenborough has said, a healthy, vibrant, productive ocean is within our reach, to the benefit of all humanity. So, let us not waste this opportunity. Let us act as soon as possible.
- 4.461. H.E. Mr. José de Jesús Bermúdez Carvajal, <u>Vice Minister for Development, Industry and</u> Trade of Nicaragua, provided the following statement:
- 4.462. On behalf of the Government of Reconciliation and National Unity, our President, Commander Daniel Ortega, and our Vice-President, Rosario Murillo, we hope to adopt favourable decisions on fisheries subsidies for all Members of this organization, especially for Members with small and vulnerable economies, as in the case of my country. Nicaragua reaffirms its commitment to concluding a multilateral agreement on fisheries subsidies that contains the necessary elements to reduce overfishing and overcapacity in illegal, unregulated and unreported fishing.
- 4.463. For small and vulnerable economies such as Nicaragua's, it is of vital importance that these provisions contain special and differential treatment for artisanal fisheries, a sector that contributes to our country's food security. In fisheries and aquaculture, total production projected for 2021 in Nicaragua is 166 million pounds, with exports of USD 300.8 million, which represents 20% of the total value of our agricultural and fisheries exports. These data demonstrate the importance of this sector for our country. With regard to your questions, Nicaragua considers that the text circulated by the Chair on 30 June 2021 serves as a good basis for reaching a balanced outcome no later than the forthcoming Twelfth WTO Ministerial Conference. You can count on Nicaragua in moving this process forward.
- 4.464. H.E. Mr. Diego Llosa, <u>Vice Minister for Foreign Trade of Peru</u>, provided the following statement:
- 4.465. As highlighted in the document setting out the questions on which we will make statements today, negotiations on fisheries subsidies disciplines started in 2001, two decades ago, with renewed impetus when the United Nations agreed on the Sustainable Development Goals in 2015 and from the declaration of the Eleventh WTO Ministerial Conference in Buenos Aires in 2017. It is definitely

time for us to reach an agreement; we cannot afford any further delay in view of the scale of this topic.

- 4.466. We share the concern about the impact of fisheries subsidies and the conviction regarding the important contribution that this agreement can make in this regard. We appreciate the questions addressed to us, and we believe that these will be very helpful in closing this process.
- 4.467. With regard to the first question raised, Peru reiterates its commitment to the negotiations on fisheries subsidies at the WTO, where it has participated actively over the past two decades, and its willingness to contribute constructively towards reaching the necessary consensus before the Twelfth WTO Ministerial Conference. We also confirm that the current draft text presented by Ambassador Wills brings together the basic elements of the landing zones needed to make progress in the negotiations to conclude the agreement. In this regard, and even though there will be a change of government in Peru at the end of July, our Head of Delegation in Geneva has the authority to represent our country's efforts to contribute to the flexibility needed to conclude the negotiations.
- 4.468. With regard to the second question, in the context of the mandate of SDG target 14.6 and the Eleventh WTO Ministerial Conference, we believe that the consideration of special and differential (S&D) treatment must seek a balance that enables it to be applied in a manner that does not undermine the ambition of the agreement or its effective implementation.
- 4.469. In this regard, responding to your query, for the purposes of these negotiations only, we believe that the key component of S&D treatment can be for fishers in developing and LDC Members characterized by their high vulnerability and relatively low income. It should be recognized that there is no single definition of artisanal fishing, and that a specific characterization is being negotiated which must be clear. Moreover, the scope of the term "poor and vulnerable" in the question raised should be clarified so as to achieve the right balance that will lead us to consensus.
- 4.470. I reiterate the gratitude of the Government of Peru for the momentum that you are giving to these negotiations. The holding of this meeting with my colleagues is an important signal of the importance of the topic for us and the need for our engagement and commitment at the highest level. I am convinced that we will succeed in concluding this agreement, demonstrating that multilateralism is fundamental to the international system, and even more so in this context, and will confirm that the WTO can effectively address high profile issues such as today's, which are key to sustainable development.
- 4.471. H.E. Senator the Honourable Kamina Johnson Smith, <u>Minister for Foreign Affairs and Foreign Trade of Jamaica</u>, <u>also speaking on behalf of the African</u>, <u>Caribbean and Pacific Group of States</u>, provided the following statement:
- 4.472. I deliver this statement on behalf of the ACP Group and on behalf of Jamaica. As ACP Group Ministers, we re-affirm our full commitment to concluding the fisheries subsidies negotiations as soon as possible, preferably, before the Twelfth WTO Ministerial Conference. We would also wish to ensure that we conclude a quality agreement that delivers on the SDG14.6 and MC11 mandates.
- 4.473. The text has shown some improvements. However, it requires balancing, which may be achieved if amendments are effected to reflect the views and issues put forward by our Members. In this regard, a lot of work is needed, including additional textual language to take account of the WTO's fundamental objectives of prohibiting certain forms of harmful subsidies that contribute to overfishing and overcapacity and IUU fishing, while preserving the sovereign rights of Members within their maritime jurisdiction, and, allowing for sufficient policy space for developing and LDC Members to develop the capacity of their fisheries sector in a manner that responsibly seize the benefits to be derived from the ocean economy.
- 4.474. For example, the text contains elements necessary for the IUU pillar, but further work is needed on areas such as due process, flag state determination, the primacy of the coastal state and effective rules for the subsidizing member to trigger the subsidy prohibition, after a determination, in a timely manner. Importantly, the text requires additional language regarding special and differential treatment. We are also consulting on the issue of transparency and notification. In addition, in the overcapacity and overfishing pillar the current approach focuses on fisheries management, instead of subsidy prohibition as instructed by the mandate. There are loopholes in

the current draft that may lead to a maintenance of the status quo, thus defeating our collective sustainability objectives.

- 4.475. We recall that the ACP Group has advocated a list-based approach due to its simplicity. The hybrid approach to be found in the current text incorporates an effects-test combined with fisheries management modalities. Our analyses have shown that this approach does not fit well with the ACP Group's multi-species and tropical waters ecosystems, combined with our limited data capacity. That hybrid approach could also undermine the principles of "polluter pays" or differentiated responsibilities.
- 4.476. The current text should, therefore, be balanced with clear mechanisms for the elimination of harmful subsidies, especially by major subsidizers, rather than establishing disciplines for fisheries management. Addressing these issues represents work in progress and we believe that their resolution would bring balance and equity, as well as improve the sustainability dimension of the text. In this regard, our Heads of Delegation have the authority and flexibility, and they have been mandated to continue to engage constructively in the negotiations with a view to arriving at mutually agreeable solutions, providing a balance of benefits for all. We will be providing them with the necessary guidance and instructions during the process.
- 4.477. Turning to your second question, we believe that the special and differential treatment provisions should benefit poor and vulnerable artisanal and small-scale fishers for their operation within the exclusive economic zones of coastal states. We have consistently argued for a carve-out of artisanal and small-scale fishing from the scope of the Agreement, as they are not the cause of overfishing and over-capacity. We welcome the removal of time limits for the exemption of artisanal and small-scale fishing. At the same time, the ACP Group is not in a position to agree to limitations only within 12 nautical miles, as our artisanal and small scale fishers operate well beyond those parameters.
- 4.478. The special and differential treatment provisions of the agreement should also allow for and foster the responsible development of the fisheries sectors in developing and LDC Members. WTO Members whose subsidies and/or percentage of global catch is below an appropriate de minimis threshold should be exempt from the overfishing and over capacity obligations. The disciplines should target major subsidizers and distant water fishing nations. Special and differential treatment should not be limited to transition periods, and our core interests in having policy space for development of the sector should not be substituted for technical assistance and capacity building.
- 4.479. Invoking flexibility and special and differential treatment provisions in the agreement should be in line with the principles of responsible fishing but should not be conditioned on onerous notification requirements that would impede access of developing and LDC Members to these provisions. In closing, compromises are needed on all sides. The ACP Group has shown maximum flexibility, so far. The process must be member-driven, transparent and inclusive. We extend a hand of collaboration and partnership and look forward to a timely and successful conclusion of the negotiations.
- 4.480. The representative of the <u>Central African Republic</u>, speaking on behalf of H.E. Ms. Léa Mboua Koyassoum Doumta, <u>Minister for Trade and Industry of the Central African Republic</u>, provided the following statement:
- 4.481. On behalf of the Government of the Central African Republic headed by Henry Marie DONDRA, Prime Minister and Head of Government, under the highest instructions of His Excellency Professor Faustin Archange Touadera, President of the Republic and Head of State, I would like to commend you for your commitment to contributing effectively to the improvement of the functioning of the multilateral trading system and, most notably, for your efforts to find ways and means to move forward the negotiations on fisheries subsidies, which we hope will lead to the conclusion of a balanced agreement.
- 4.482. The mandate for the negotiations on fisheries subsidies, which were launched in 2001 at the Doha Ministerial Conference, was reiterated and reinforced by the Eleventh Ministerial Conference in Buenos Aires, where Members agreed to adopt an agreement in 2020 that would give effect to Sustainable Development Target 14.6, which involves prohibiting certain forms of fisheries subsidies that contribute to overcapacity and overfishing; eliminating subsidies that contribute to illegal,

unreported and unregulated fishing; and making special and differential treatment for developing and LDC Members an integral part of the agreement. Here we are today at least 20 years into the negotiations.

- 4.483. We are all aware that fishing activities have an indirect upstream and downstream economic impact, particularly in terms of wealth and job creation, but also because of their contribution to food security. When observing the actors, types of fishing practised and the gains generated, we note an imbalance insofar as the majority of the actors involved in certain types of fishing live in developing and LDC Members where practicing the activity constitutes for them a means of subsistence, since they live in extreme poverty caused amongst other things by unfair competition that they cannot withstand.
- 4.484. We must bear in mind that one of the objectives set by the WTO is to make trade an instrument for growth and poverty reduction. This objective should encourage us to work on improving the living conditions of the poor. We are, however, pleased that the negotiations have led to a draft text that, with political will, could result in the conclusion of an agreement. We would like to encourage you to improve the approaches taken, with a view to federating negotiating positions for an agreement in a sector that is so important for the survival of the vulnerable populations of developing and LDC Members.
- 4.485. In light of the foregoing, the Central African Republic endorses the statements by the African Group, the LDC Group and the Group of Landlocked Developing Countries on the need to conclude a fisheries agreement. To that end, the Central African Republic calls on WTO Members to renew their commitment to concluding a balanced agreement on fisheries in order to, inter alia, slow down the continued degradation of the world's fisheries resources and provide developing and LDC Members with the opportunity to receive special and differential treatment that would help promote the artisanal fisheries sector.
- 4.486. H.E. The Honourable Hugh Hilton Todd, M.P., <u>Minister for Foreign Affairs and International Cooperation of Guyana and the CARICOM Ministerial Spokesperson</u>, <u>also speaking on behalf of the Caribbean Community</u>, provided the following statement:
- 4.487. We align ourselves with the statement made on behalf of the Organization of African, Caribbean and Pacific States Group. The negotiating text before us no doubt shows incremental progress on many important elements. However, throughout the negotiations, our representatives have consistently advocated for principles of equity and fair play to be reflected in the text in order to achieve an acceptable agreement. Accordingly, we underscore that those most responsible for the damage caused to our global fisheries resources by the provision of massive amounts of subsidies over many years, should bear the brunt of the responsibility and costs for rectifying the problem.
- 4.488. We recall the recent statement by Ministers of the Organization of African, Caribbean and Pacific States on 24 June 2021, that it is the overwhelming subsidization by large scale distant-water fishing nations that have created the problem of global overcapacity, overfishing and Illegal, Unreported and Unregulated (IUU) fishing. It is therefore at those Members that the prohibition disciplines should be targeted. We now turn to the specific questions posed for our consideration. First, we were asked whether we would be able to confirm that the basic elements of the landing zones for this agreement are contained within the current draft text and whether we would be prepared to fully authorize our Heads of Delegation in Geneva to contribute to the flexibility needed to conclude the negotiations.
- 4.489. As Small and Vulnerable Economies (SVEs), we cannot accept an agreement that hinders our ability to support our predominantly small-scale fishing activities and to develop sustainably our marine resources. Furthermore, we cannot accept that the major subsidizers would be exempted from the core disciplines, based on the claim that they have fisheries management systems in place and the resources to maintain them. Our Heads of Delegation are mandated to operate constructively within the policy frameworks and directives given by our Governments. The policy positions and technical assessments our delegations have advanced in these negotiations, in the various formats, have benefited from and will continue to benefit from, thorough political and technical consultations among the region's stakeholders.

- 4.490. Second, concerning special and differential treatment (S&DT) in the context of these negotiations, while we are indeed concerned with the plight of our poor, vulnerable, artisanal and small scale fishers, our concerns go much further. Overall, the flexibilities appearing in the current Revised Text lean heavily to the advantage of the major large-scale, distant water fishing nations. At the same time, the flexibilities proposed for SVEs, are inadequate to address our interests.
- 4.491. We further emphasize that our commercial fishing operations are miniscule in comparison to those of major players and do not benefit from harmful subsidies. We support the approach of a S&DT carve-out for LDCs, as is already reflected in the text, but also for SVEs, which are not among the major subsidizers. It is in this regard that we continue to strongly advocate for the inclusion of a de minimis exemption from the Article 5 prohibitions for SVEs, which have a negligible impact on the problem at hand.
- 4.492. Additionally, the provisions on S&DT in the draft text are so heavily circumscribed with conditions, limitations, and onerous notification requirements, so as to make them ineffective and meaningless, insofar as SVEs are concerned. CARICOM's artisanal and small-scale fishing take place both within and beyond 12 nautical miles. Thus, any exemption granted to artisanal and small-scale fishing should extend beyond the territorial seas to include the EEZs.
- 4.493. CARICOM Member States rely heavily on our maritime jurisdiction and require the policy space to ensure that all our marine resources contribute to our current and future sustainable economic growth and development, given our small land mass. We will continue to engage constructively in these negotiations and remain committed to their successful conclusion, but it is necessary that the text be appropriately balanced to reflect the interests of SVEs such as ours.
- 4.494. H.E Mr. Aleksandar Stijović, <u>Minister for Agriculture, Forestry and Water Management of Montenegro</u>, provided the following statement:
- 4.495. Today's Ministerial meeting is of manifold importance. Firstly, as an opportunity to recommit ourselves to successfully meet the mandate from the 2015 United Nations Sustainable Development Summit and Eleventh WTO's Ministerial Conference in relation to SDG14.6. That is to discipline harmful subsidies leading to overfishing and overcapacity and illegal, unreported and unregulated fishing while ensuring for appropriate and effective special and differential treatment. This would send a clear signal of our strong political support. Secondly, as a priority for the WTO Members, the fisheries subsidy negotiations have been dragging on, and are long overdue.
- 4.496. Thirdly, despite of a comprehensive body of international law governing marine fisheries, we are continuously witnessing the deteriorating trend of fish stocks. Fourthly, the unprecedented COVID-19 pandemic and uncertainties surrounding the world today are a reminder of the critical importance of a well-functioning rules-based multilateral trading system for the collective health, global economy and its growth, and the role of WTO in this regard. Finally, in view of these developments, the negotiations on disciplines to fisheries subsidy negotiations are a litmus test of the WTO's ability to deliver on the SDGs, specifically SDG 14.6 and, in general, of its potential to still deliver new multilateral rules.
- 4.497. With this in mind, let me touch upon a few points of particular significance for Montenegro. The Montenegrin marine fisheries sector is small in scale, with a very old fleet of limited capacity. It currently stands at 290 vessels, of which only 35 are longer than 10 m, while 1/3 of the vessels are inactive due to obsolescence. The number of fishing days largely depends on the weather, and in Montenegro it ranges from 50 to 80 days a year. Montenegro shares the Adriatic Sea with a number of EU member states and neighbouring countries, and according to available data on the total catch of all countries from fishery resources in the Adriatic Sea, Montenegro did not exceed 1% of the total catch.
- 4.498. Montenegro is a full member of the GFCM (General Fisheries Commission for the Mediterranean-FAO), where it is recognized as a good example of sustainable management and conservation of marine resources. Based on the conducted scientific research on the state of (demersal and pelagic) resources in the territorial sea, the Ministry of Agriculture, Forestry and Water Management of Montenegro annually determines the maximum allowable catch and the capacity of the fishing fleet that can participate in that catch.

- 4.499. In line with the issues raised in your letter of 2nd July, let me briefly outline our views. Montenegro considers that the proposed consolidated draft text contains the basic elements for a sustainability- based flexibility while taking into account the specific capacities and needs of the Members concerned. Specifically, Montenegro would be able to support the flexibility for WTO members, commensurate with their needs and capacity constraints even beyond the group of LDCs. We will continue to support proposals to better integrate members with capacity constraints, also in connection with the specific situation in developing and LDC Members. On these grounds, the Montenegrin Head of the Delegation in Geneva will be authorized to contribute to the flexibility needed to conclude the negotiations ahead of the Twelfth WTO Ministerial Conference.
- 4.500. H.E. Mr. Wai Lin Maung, <u>Director-General for the Fishery Department for the Ministry of Agriculture, Irrigation and Livestock of Myanmar</u>, provided the following statement:
- 4.501. The Government of Myanmar is committed to reform towards greater trade openness, diversification of the economy among others including the fisheries sector which is vital for Myanmar and contributing to national food security and income generation and aims to establish a sustainable balance in environmentally friendly production, and upgrading the socio-economic conditions of fishing communities.
- 4.502. As intended above, Myanmar has been cooperating with Regional and International bodies, and assess the status of marine ecosystem survey in Myanmar include the Exclusive Economic Zone (EEZ) by R.V. Dr. Fridtjof Nansen. Followed by the result finding, Myanmar has carried on the conservation measures such as defining the non-fishing seasons and expending the fishing conservation zone and fisheries co-management areas. These measures are consistent with recommendation of the scientific surveys and National Plan of Action for combating IUU fishing in Myanmar. The finding of the study on fishery subsidies conducted by IISD in 2020 stated that Myanmar has no apparent subsidies for overfishing and overcapacity. It is a unique position to implement reforms with the WTO rules.
- 4.503. In connection with the questions of WTO, Myanmar will contribute to the flexibility together with LDC Group needed to conclude the negotiations ahead of the Twelfth WTO Ministerial Conference and continue to negotiate with the current draft text. Myanmar's WTO Delegation in Geneva is fully cooperating with Fishery Department and contributing to the flexibility as needed to conclude the Negotiations. Myanmar appreciates provision of transitional period for LDC that is required to implement the WTO rules and it is also important that there should be enough periods for transitional stages. Allow me to conclude the Statement by stressing the crucial of effective technical assistance and capacity building to the Members for the effectiveness of relevant National laws, Management measures and go along with transparency process.
- 4.504. H.E. Mr. Paulo Lima Veiga, <u>Minister for the Sea of Cabo Verde</u>, provided the following statement:
- 4.505. We would like to make it clear that we fully support the statements made by the colleague of Jamaica on behalf of the ACP and also the interventions which will be presented by Mauritius on behalf of the African Group. Cabo Verde recognizes the importance and the role of the fisheries sector in the socio-economic development, food security and economic security of all ACP Member States. We are fully engaged in the implementation of the global economy and the United Nations 2030 agenda for sustainable development and in particular the SDG 14. We are aware of the concerns about the global depletion of fisheries resources and the negative impact of harmful subsidies especially those granted by major fishing Members in distant waters. We are also aware of the challenges posed by the COVID-19 pandemic.
- 4.506. We recognize the efforts of the ACP negotiators to promote and protect the ACP Group's interests in addressing issues of concern regarding WTO rules on fisheries subsidies. While we acknowledge progress in the negotiations, we find that document TN/RL/W/276 discussed at the 24 June meeting does not take into account the interests of ACP Member States. It is urgent that we achieve an agreement in the WTO in order to ban certain forms of fisheries subsidies that contribute to overfishing and eliminate subsidies that contribute to IUU fishing, avoid introducing new subsidies and ensure special and differential treatment for developing and LDC Members. To conclude, I hereby express our commitment to help conclude a balanced and meaningful outcome that will contribute to the attainment of SDG 14 and meet our development objectives.

- 4.507. The representative of Cambodia, speaking on behalf of H.E. Mr. Pan Sorasak, <u>Minister for Commerce of Cambodia</u>, provided the following statement:
- 4.508. Cambodia associates itself with the statement made by Chad on behalf of the LDC Group. Fisheries subsidies is an important issue, and it is an issue that have taken the WTO 20 years just to get to this stage. Even though there are different approaches proposed to address the issue, it is encouraging to see some common grounds and flexibilities shown among members in the negotiation. It is therefore crucial, with the MC12 just around the corner, that we rally together to bridge our differences for mutual benefits and the sustainability of fisheries and those who depend on fisheries for their livelihood and the realization of SDG Target 14.6. With that in mind, I am pleased to inform that I have given the Cambodian delegation in Geneva a wide latitude in the final stages of the negotiation so that we can find convergence in the various issues that are still outstanding.
- 4.509. Turning to Special and Differential Treatment for developing Members and LDC Members, we urge that the developed country Members provide full flexibility, especially to LDCs for low income, resource-poor and livelihood fishing or fishing related activities as these kinds of fishing do not have detrimental impact on sustainable fisheries. We thank Members for the support and inclusive interest and taking into account the lack of resources and constraints faced by LDCs.
- 4.510. Notwithstanding the S&DT, please be assured that we remain vested on the need to protect fisheries from illegal, unregulated and unreported fishing and overcapacity and overfishing. On these pillars, we commend all Members in conducting the negotiation in an open and transparent manner. We, however, would like to reiterate our concern over the use of force labour in all kinds of fishing and fishing related activities as these practices are against the labour and human rights and should be disciplined in some ways or forms in this instrument.
- 4.511. Finally, and equally important, Cambodia would like to take this opportunity to urge Members to fully commit to provide technical assistance and capacity building to LDCs for implementing this instrument effectively. We look forward to working closely with all Members to discuss and find ways to overcome challenges and solve remaining issues and differences so that we can achieve a positive outcome in MC12 in Geneva later in 2021.
- 4.512. H.E. Mr. Ueritjiua Kauaria, <u>Deputy Executive Director for the Ministry of Fisheries and Marine Resources of Namibia</u>, provided the following statement:
- 4.513. At the outset, Namibia supports the statements delivered by the Coordinator of the African Group Hon. Minister, Alan Ganoo of the Republic of Mauritius and the statement Delivered by the Coordinator of ACP, Hon. Minister Kamina Johnson- Smith of Jamaica. Namibia's marine resources sector are guided by appropriate policies and legislative framework to sustainably harvest its marine resources and continues to implement sustainable harvesting of its marine resources, that is environmentally sustainable and socially inclusive for the benefit of all Namibians present and future.
- 4.514. The Namibian Fisheries Resource Management tools comprises of fishing rights, setting of total allowable catches, allocation of quotas and licensing of vessels. The objective of rights and quota's system is to limit and control fishing, promoting Namibianisation of the sector and charging resource rent, which comprises of quota and research levies, which are designed to contribute towards Government income from the exploitation of fisheries as a national resource. The sector plays an important role in terms of local production, employment creation and sustenance, foreign exchange earnings and contribution to government revenue. During 2019, fisheries contribution to Gross Domestic Product (GDP) and export values stood at 4% and 11% respectively and sustained employment to 16,970 people of which 99% are Namibians. It is against this backdrop that, the outcome on fisheries subsidies should address the capacity constraints and the need for policy space to develop domestic fishing industries in developing and LDC Members.
- 4.515. This can be achieved through a balanced, positive and inclusive negotiated outcome on Special and Differential Treatment for developing and LDC Members. Furthermore, WTO is not a Fisheries Management Organization and that the primary goal of these negotiations is to conserve, and sustainably use fisheries marine resources. Therefore, the prerogative is with National Authorities of Coastal States to determine IUU and, situation of overfished stock, in their respective EEZ or jurisdiction and Regional Fisheries Marine Organizations (RFMOs) at high seas.

- 4.516. On the Revised Draft Consolidated Chair's Text in Document TN/RL/W/276/Rev.1, the text serves as good basis for our work moving forward with view to achieve some landing zones. However, the text requires refinement, including additional textual language, to reflect the views and concerns expressed by Members of the African Group and ACP to have a balanced approach in reducing the impact of fisheries subsidies by large subsidizers.
- 4.517. On questions from the Chairs of the TNC and NGR, Namibia reaffirms its commitment and support to conclude the fisheries subsidies negotiations ahead of MC12 scheduled to take place later this year. It is in this regard that, we should strive to reach a balance outcome that is geared towards addressing the disparities and loopholes within the fisheries text in order to achieve our mandate of 14.6. In addition, the African Group and ACP to which Namibia is a Member, have shown some flexibilities in a number of areas whereas, other proponents are still inclined greatly to their positions which does not assist the efforts being made hence, derailing the realisation of our mandate.
- 4.518. On the second question, Special and Differential Treatment is an embedded right for developing and LDC Members of the WTO and should not be limited or reserved to a specific component within the fisheries negotiations, but rather it should be an integral part of the WTO fisheries subsidies negotiations in line with mandate. To conclude, looking ahead towards the Twelfth WTO Ministerial Conference, Namibia is committed and willing to constructively engage other Members with the aim to achieve a balanced and meaningful outcome of the fisheries negotiations with a primary target of 14.6 for sustainable development.
- 4.519. H.E. Mr. Etienne Kindia, <u>Deputy Permanent Representative to Geneva of Côte d'Ivoire</u>, provided the following statement:
- 4.520. Côte d'Ivoire, taking into account your introductory remarks and in light of the provisions of the new version of the draft negotiating text, would like to meet the requirements of the exercise to which Members are subject, first of all recalling the key objectives of the mandate concerning fisheries subsidies, contained in the Ministerial Decision adopted at the Eleventh WTO Ministerial Conference in 2017, in relation to target 14.6 of the UN Sustainable Development Goals. The aim is to reach agreement on: establishing disciplines to eliminate subsidies that contribute to illegal, unreported and unregulated (IUU) fishing; prohibiting certain forms of fisheries subsidies that contribute to overcapacity and overfishing; and providing for special and differential treatment for developing and LDC Members.
- 4.521. The delegation of Côte d'Ivoire, having regard to the key objectives of the fisheries subsidies mandate, would like to reaffirm its commitment and readiness to cooperate with the same determination to conclude a mutually satisfactory solution for all, in response to the question on the flexibility necessary to conclude the negotiations. Indeed, there is no doubt that, for once in 20 years, we have moved closer to the goal with a practically consolidated text.
- 4.522. My delegation is of the view that, before MC12, we could conclude an agreement that could halt the ongoing deterioration of the world's fisheries resources and promote the economic activities and livelihoods that they support, despite the few stumbling blocks requiring political rather than technical solutions. In this regard, Côte d'Ivoire welcomes the fact that the basic elements of the common ground necessary to reach this conclusion are included in the current draft text. To this end, the Government of Côte d'Ivoire's instructions for full participation in these negotiations in a spirit of cooperation and openness with the necessary flexibility given to its head of delegation in Geneva remain in place and will guide Côte d'Ivoire's participation in the conclusion of these negotiations.
- 4.523. On the second issue, related inter alia to special and differential treatment, which is necessary and sufficient to take into account the concerns of the populations of developing and LDC Members that practise artisanal, small scale and subsistence fishing, it is important to stress that S&DT is an integral part of the mandate and should be reflected in any outcome. Appropriate and effective S&DT in relation to the different disciplines under negotiation should therefore be available for these Members.
- 4.524. Furthermore, disciplines relating to transparency should not generate additional costs. Moreover, technical assistance and capacity building to be considered in the draft text should not only be concerned with implementation of the disciplines but also and especially with the

development of the fisheries sector, which forms part of the economy and must still be promoted and made profitable for these Members. The policy space required for this purpose must be taken into account.

- 4.525. On all of these fisheries subsidies issues, Côte d'Ivoire would like to support the position of the African Group and that of the ACP Group. Moreover, it would like to express its full commitment, its support for progress made and its strong determination to show the flexibility necessary for concluding an agreement including the requisite functional S&D treatment for developing and LDC Members prior to MC12.
- 4.526. H.E. Mr. Aimé Clovis Guillond, <u>Permanent Representative to the WTO of Congo</u>, provided the following statement:
- 4.527. I am making this statement on behalf of the Government of the Congo, while aligning myself with the statements made here by the Coordinators of the African and ACP Groups respectively. This text, which until now has served as a working document, still requires substantial improvement, as it is somewhat unbalanced. This is reflected, among other things, in the fact that it fails to take into account our concerns regarding sustainability, and even less so our national policy interests for the development and promotion of this sector. Moreover, it seems to legitimize existing practices used by the major subsidizers. Against this backdrop, my delegation would like to emphasize adherence to our mandate to establish disciplines to eliminate subsidies to illegal, unreported and unregulated (IUU) fishing; to prohibit certain forms of fisheries subsidies that contribute to overcapacity and overfishing; and to provide for special and differential treatment for developing and LDC Members
- 4.528. Regarding your first question on flexibility, it is important to note that the Congo is committed to supporting with the necessary flexibility any initiative aimed at concluding these negotiations in compliance with the said mandate. With regard to your second question on special and differential treatment, it should be noted that S&DT is provided for in the mandate and should be available to developing Members and LDCs, not only to strengthen their capacity to promote fisheries, but also to implement the provisions of the new agreement efficiently.
- 4.529. Thus, to achieve a future agreement, the text should: exclude from the scope of application artisanal and small-scale fisheries; ensure the enforcement of sanctions against IUU fishing, which particularly affects Members; ensure that the prohibition to be applied is in line with the S&DT flexibilities in the mandate; ensure provisions on the primacy of the coastal State in identifying infringements in waters, in accordance with international law. In conclusion, my country reiterates its commitment to working towards a fair and balanced outcome in this area for the Twelfth Ministerial Conference.
- 4.530. The representative of <u>Benin</u>, speaking on behalf of H.E. Mr. Gaston Cossi Dossouhoui, <u>Minister for Agriculture, Livestock and Fisheries of Benin</u>, provided the following statement:
- 4.531. Benin supports the statements made by Mauritius, Jamaica and Chad respectively on behalf of the African Group, the ACP Group and the Group of Least Developed Countries (LDCs). The Chair's text provides a good basis to advance in this direction. However, we must work collectively with a view to achieving a balanced text that responds to the negotiation mandate on the one hand and takes into account the specific concerns of Benin and the groups to which it belongs on the other.
- 4.532. In this regard, preservation of small-scale artisanal fishing, as well as the importance of the disciplines on fisheries subsidies, remain essential concerns for Benin. In fact, the country is deploying efforts to support the artisanal fishing sector, which is one of the most vulnerable in its economy, and one which plays a very important socioeconomic role, particularly in terms of job creation, subsistence income for fisher persons and, consequently, in poverty reduction. Moreover, it is crucial that the final agreement really discipline subsidies that promote overfishing, illegal, unreported and unregulated fishing (IUU fishing), above and beyond the single discipline of fisheries management and transparency.
- 4.533. In conclusion, it is Benin's fervent wish that the final text can reflect even more the specific concerns of developing and LDC Members on the above-mentioned issues, with the appropriate flexibilities in the area of special and differential treatment (S&DT), which cannot be circumscribed

to artisanal fishing alone. In conclusion, Benin invites all WTO Members to show greater flexibility and pragmatism with a view to effectively concluding these negotiations by MC12.

- 4.534. H.E. Excellency Mr. Javier Francisco Aguiar Rodrìguez, <u>Vice Minister in charge of fisheries issues of Cuba</u>, provided the following statement:
- 4.535. We appreciate the convening of this virtual meeting and are aware of the efforts involved in holding such an event in the current circumstances, with the COVID-19 pandemic affecting the course of our day to day lives. The Negotiating Group on Rules is practically the only WTO body that shows an interest in achieving outcomes for the upcoming Twelfth Ministerial Conference in respect of one of the outstanding issues of the Doha Round. My delegation believes it is vital to preserve and respect the existing mandates, including those in the decisions adopted by Ministers in Bali and Nairobi. They all remain valid today. While concluding the outstanding Doha issues remains a challenge, we must work towards fully achieving this objective.
- 4.536. Regarding the main focus of the meeting, we would like to comment on various aspects. Generally speaking, we welcome the Negotiating Group Chair's efforts to present, on his own responsibility, Revision 1 of the draft consolidated text, document TN/RL/W/276/Rev.1. The text seeks to reflect years of negotiations and the varying interests of Members. Nevertheless, much remains to be done to achieve an outcome that is acceptable to all.
- 4.537. The negotiating process for fisheries subsidies must be conducted in formats that are transparent; it must also be inclusive and should not overlook the proposals submitted by Members during the many working sessions and intensive negotiating meetings. In order to achieve an effective outcome in this area, the policy space of developing and LDC Members in their jurisdictional waters must be preserved so that they can continue developing this sector in a sustainable and responsible manner, while maintaining the artisanal and small-scale fisheries that characterize the fishing activities of a representative number of ACP Group economies.
- 4.538. My delegation believes that a clearly imbalanced text that makes special and differential treatment conditional cannot be used as a basis for negotiation where the only aim is to find compromise solutions. There are parts that must be amended in accordance with the proposals submitted. It is key to ensure that effective special and differential treatment forms part of any outcome. The mistakes of the past, which have resulted in differential treatment that is ambiguous and difficult to implement in certain areas, must be avoided.
- 4.539. The notification burden must be eased. A genuine outcome would not entail an excessive notification burden that many developing and LDC Members could not meet. It is vital that the outcome of these negotiations remains within the scope of the negotiating mandate and does not go beyond it. We reiterate the importance of ensuring that the negotiating format allows developing Members with fewer capacities to participate and present their interests.
- 4.540. It is also important, in the current climate of the pandemic, not to rush to try to achieve an outcome that fails to take into account the development concerns of developing and LDC Members. Such an outcome would not be satisfactory. The importance of this mandate and the peremptory deadline by which it is governed must not result in an increase in existing asymmetries. Many developing and LDC Members do not have the infrastructure required to be able to participate in these virtual negotiations and meetings a situation exacerbated by the impact of COVID-19. Many delegates from these Members are currently not able to access these virtual meetings.
- 4.541. Before concluding, we would like to reaffirm our willingness to work together to achieve a positive outcome at the upcoming Twelfth Ministerial Conference, one that allows for progress on the outstanding Doha mandates, which continue to represent a long standing debt for this Organization. We would like to endorse the statement made on behalf of the ACP Group.
- 4.542. H.E. Ms. Naha Hamdi Mouknass, <u>Minister for Trade, Industry, Handicraft and Tourism of Mauritania</u>, provided the following statement:
- 4.543. We are here to craft the outlines of an agreement that will beyond any doubt be historic for Members. If this agreement is concluded, it will allow us, after 20 long years of negotiations, to regulate one of the vital sectors for our populations and our economies, and to combat the

overexploitation and depletion of fish stocks, in line with the objectives of the Doha Round in 2001, the mandate of MC11 and SDG target 14.6, adopted in 2015. Fishing in all its forms is an essential source of income, a factor of economic growth and a pillar of our country's development.

- 4.544. With a coastline of 720 km, our country has an economy that relies significantly on the fisheries sector. The latter accounts for 25% of foreign exchange earnings and employs over 42,000 people, of which 80% are in artisanal fishing. However, subsidies that contribute to illegal, unreported and unregulated (IUU) fishing are without doubt a danger to our fisheries resources, to the preservation of our marine ecosystem and its biodiversity, and to our peoples. Hence there is an urgent need to put an end to this harmful practice once and for all. For this reason it is crucial to reach an agreement on the sustainable management of our oceans where special and differential (S&D) treatment is defined in a clear and precise manner. To that end, my country aligns itself with the position of our membership groups, in particular the OACPS, which, it should be recalled, accounts for nearly 50% of WTO Members but whose impact is negligible and represents only 2.5% of the total marine catch.
- 4.545. Artisanal fishing is small scale fishing but it is essential for the survival of our communities and is one of the priorities for some Members, such as ours. We therefore believe that S&D treatment should not be limited only to this category of fishing. We have small maritime fleets with limited catch capacity, far from the overcapacity and overfishing that characterize industrial fishing. It is therefore more than necessary to improve certain provisions contained in the draft text submitted for our appraisal. In light of the above, we request that this agreement take into consideration: adequate S&D treatment for LDCs and ACP States in the effective implementation of the recommendations of the agreement; capacity building and technical assistance to implement the new reforms that will be agreed upon; exclusion of artisanal and small-scale fishing from the agreement to continue protecting our vulnerable populations whose survival depends on the sector.
- 4.546. Mauritania reiterates its firm commitment to reaching a consensus, prior to MC12, to terminate certain subsidies related to IUU fishing. I also wish to reiterate that S&D treatment is, and will remain, a priority for us. In this regard, we call for specific treatment for those with small fleets and with low marine capture capacity. While recognizing the progress that has been made in our negotiations, I encourage our permanent representative to continue the negotiations, with all the required flexibility, in order to reconcile the different positions and find an effective agreement that takes into account our various concerns before our next ministerial conference.
- 4.547. The representative of <u>Madagascar</u>, speaking on behalf of H.E. Ms. Ratefinanahary Rantoarivola Edmée, <u>Director for External Trade for the Ministry of Industry, Trade and Crafts of Madagascar</u>, provided the following statement:
- 4.548. We align ourselves with the statements made, and to be made, on behalf of the LDCs, the African Group and the ACP Group. The issue of fisheries subsidies is of paramount importance for Madagascar, which is an island with a vast maritime region, on which much of its economy depends. However, beyond economic aspects, given the highly endemic nature of Madagascar's marine biodiversity, this issue is at the very heart of our concerns. We are not a country with a large fishing capacity, but we are seeing an alarming decline in maritime resources year on year. Our fishers, who have been practising their craft from generation to generation, have been severely affected by this depletion of stocks.
- 4.549. We would therefore like to express our gratitude to all those who continue in their endeavours to bring us all together on this matter; in facing this, we must all show responsibility and flexibility in our deliberations in order to achieve an outcome that would enable us all to look to the future with less concern about the state of our resources and their ability to regenerate. We would like to reiterate how significant special and differential treatment is for our country, and thus call for everyone's help in taking that into account in all the negotiations. For Madagascar, it is vital for the negotiations to succeed, given how much time has already elapsed, but it is also crucial that the outcome does not disadvantage those who are currently facing difficulties. It is a question of leaving no one behind.

- 4.550. H.E. Mr. Stephen Fevrier, <u>Permanent Representative to the WTO of Saint Lucia</u>, provided the following statement:
- 4.551. I deliver this Statement of behalf of Minister Bradly Felix who is unable to be with you today owing to inescapable domestic duties. Allow me also to align my delegation with the statements already delivered by CARICOM, the ACP and the OECS. The purpose of multilateralism is to find common solutions to those problems that impact on Members across the globe. The raison d'etre of multilateral institutions is to establish a forum for collective decision-making and responses to global challenges. Indeed, the Marrakesh Agreement provides cogent direction to us on our collective responsibility to our planet. We are mandated to establish 'optimal use of the world's resources in accordance with the objective of sustainable development, seeking both to protect and preserve the environment and to enhance the means for doing so in a manner consistent with our respective needs and the concerns of Members at different levels of economic development.'
- 4.552. Our mandate is clear. And the time to act to secure the sustainability of global fisheries is now. In order to unlock the progress required to conclude these important negotiations, it is vital that flexibilities be conferred on those of us that do not deploy systemically relevant subsidies. Moreover, our commitments must be calibrated to our capacity to implement. Once this balance is realised, Saint Lucia believes that the landing zone will be in sight.
- 4.553. Relating to special and differential treatment, Saint Lucia holds the view that S&DT must be appropriate and effective and address the specific needs of those of us that have not contributed to the problem of overcapacity and overfishing. In this regard, more work is needed to ensure that a robust S&DT architecture is materialised. We join with others in welcoming Article 7 on Technical Assistance and Capacity Building and commend your efforts at resourcing the interventions required to implement the agreement. Let me further state, while we welcome this step, technical assistance and capacity building cannot come at the cost of bespoke Special and Differential Treatment provisions.
- 4.554. On the second question, artisanal fishing is of vital importance to the small island developing states. We have long been advocates of an artisanal carveout in these negotiations. We make this request owing to the fact that we are not the source of the problem and therefore should not be made to unduly limit support measures to fisher communities that depend on government interventions. Therefore, the provisions of the agreement must allow us to maintain the policy space necessary to develop our fishing industry. However, as articulated by CARICOM, the ACP and the OECS, S&DT goes beyond an artisanal carveout.
- 4.555. In closing, Saint Lucia is committed to a strong and ambitious outcome to these negations. An outcome that targets the source of the problem that we have a collective interest in addressing. An outcome that equally does not impinge on support measures to vulnerable fishing communities. We commend your efforts and will do our part in arriving at a satisfactory outcome.
- 4.556. H.E. Mr. Mushuma Mulenga, <u>Permanent Secretary for the Ministry of Commerce, Trade and Industry of Zambia</u>, provided the following statement:
- 4.557. With regard to the negotiations on fisheries subsidies under the WTO, Zambia aligns herself with the position that has been taken by Landlocked Developing Countries (LLDCs), Least Developed Countries, African, Caribbean and Pacific States, and the African Group on the position of harmful subsidies to Illegal, Unreported and Unregulated fishing.
- 4.558. As LLDCs we realize that even though we do not have access to the seas where the WTO Agreement on fisheries will be primarily applicable, IUU fishing would lead to the depletion of fish and exacerbate environmental degradation in the seas, contrary to SDG no. 14.6. We therefore support the objective of the Agreement to discipline fisheries subsidies that lead to IUUs, in order to avoid environmental degradation and climate change, whose effects would indiscriminately affect the whole globe, including LLDCs. Allow me also to present our gratitude on behalf of Zambia for the technical assistance and support provided to our country on trade-related matters.

- 4.559. H.E. Mr. Ramses Joseph Cleland, <u>Permanent Representative to the WTO of Ghana</u>, provided the following statement:
- 4.560. These negotiations are extremely important for two reasons: First, there is need to save our oceans for future generations. We have a responsibility towards future generations, and we should not abdicate our responsibility. We need to fulfil SDG 14.6 and eliminate harmful subsidies which have contributed to overfishing and overcapacity. Many Members have witnessed the harmful effects of these subsidies, as global fishing stocks continue to be depleted. The same is true for many African coastal states including Ghana. Second, these subsidies are impacting negatively on the livelihoods of several people who are engaged in artisanal fishing and has increased the level of poverty in our communities. Fish has now become unaffordable for several families because of the shortage of supply.
- 4.561. Turning to your first question and following on from what I have just said, Ghana is of the view that the fisheries negotiations should be completed as soon as possible to fulfil SDG 14.6. However, we need to have a balanced Agreement which would eliminate harmful subsidies and substantially improve the health of our oceans. Any new Agreement should prevent or minimise IUU fishing, overfishing and overcapacity.
- 4.562. We should not lose sight of these overarching principles thus any Agreement should be measured against these benchmarks as mentioned earlier. While the current Chairman's text is an improvement over earlier versions, it does not require the sort of action that is needed to fulfil SDG 14.6. While the text provides a list of harmful subsidies, it would allow Members to continue granting them if they can demonstrate that these subsidies have contributed to the sustainability of their fisheries. This goes against the letter and spirit of SDG 14.6 which relevantly mandates that Members "refrain from introducing new such [harmful] subsidies."
- 4.563. It is clear that the current policies and practices of the big subsidisers have contributed significantly to the depletion of several fishing stocks and as such they cannot be allowed to continue without fundamental reform. By not requiring Members to definitively eliminate harmful subsidies but allowing them to continue providing them, it is not clear how the proposed text would contribute to the fulfilment of SDG 14.6. The Text, therefore, needs to be strengthened. Ghana is committed to engaging in text-based negotiations to ensure the conclusion of a high-quality Fisheries Agreement to fully fulfil SDG 14.6 and save our oceans.
- 4.564. Turning to your second question, Ghana believes that the mandate in SDG 14.6 should be fulfilled. It makes it clear that "effective special and differential treatment for developing and LDC Members should be an integral part of the WTO fisheries subsidies negotiations." In effect, SDG 14.6 recognises the special circumstances of developing and LDC Members, particularly those with nascent fishing industries. While Ghana believes that all Members should make a contribution to ensure the success of the fisheries negotiations, it does not feel that it is appropriate to define S&DT in the terms phrased in the question. It believes that the S&DT provisions in the current Chair's text are inadequate. Once again, Ghana remains ready to engage in text-based negotiations to find a workable solution to the S&DT issue. It is our hope that these deliberations would assist in finding workable and pragmatic solutions in these negotiations with a view to concluding an Agreement as soon as possible.
- 4.565. The representative of the <u>Bolivarian Republic of Venezuela</u>, speaking on behalf of H.E. Mr. Juan Laya, <u>Minister for People's Power for Fisheries and Aquaculture of the Bolivarian Republic of Venezuela</u>, provided the following statement:
- 4.566. The Bolivarian Republic of Venezuela, through the permanent mission in Geneva, remains committed to concluding the negotiations on the dates set in the various negotiating mandates. We would also like to report that, with the creation of the Ministry of People's Power for Fisheries and Aquaculture and in order to support, strengthen and enhance the artisanal fisheries sector, the Venezuelan Fisheries and Aquaculture Fund FONPESCA was established in 2016, to promote fisheries and aquaculture production, which not only has a positive impact on the most disadvantaged areas, but also promotes decentralization and the people's empowerment in governance.

- 4.567. The main activity is to provide comprehensive financing, and the authority to administer and grant financial and non-financial resources, capital goods and inputs, to carry out projects involving the primary activities of production, storage, processing, trade, distribution and any other related service, presented by the Councils for Fishers and Aquaculture Producers or any other type of organization and participation.
- 4.568. Regarding the first part of question 1, we reiterate that the Bolivarian Republic of Venezuela has always remained committed to concluding the negotiations on the dates set in the various negotiating mandates. However, considering the significant social, economic and political sensitivity of the issue in question, we have indicated that we hope that the conclusion of these negotiations will be led by their content, and not by haste diverting us from this path.
- 4.569. Regarding the second part of question 1 and question 2, concerning the content of the negotiating draft text and artisanal and subsistence fishing, we have pointed out that the success of these negotiations depends on our responses to the elements set out in the negotiating mandate reflected in Sustainable Development Goal target 14.6, especially the inclusion of special and differential treatment that is appropriate and effective for developing and LDC Members. We therefore hope to achieve more flexible rules on artisanal and small-scale fishing. Artisanal fisheries account for 80% of fisheries in Venezuela and their importance is recognized by all Members, particularly because they are part and parcel of development and poverty reduction priorities and livelihood and food security concerns.
- 4.570. H.E. The Honourable Michael Pintard, <u>Minister for Agriculture and Marine Resources of the Commonwealth of The Bahamas</u>, <u>speaking as an Observer</u>, provided the following statement:
- 4.571. The Bahamas associates itself with statements delivered by the Minister of Jamaica on behalf of the Organization of African Caribbean and Pacific States and the Minister of Guyana on behalf of the Caribbean Community. The Bahamas as an observer to the World Trade Organizations, has been closely monitoring the negotiations, toward a fisheries subsidies agreement, as decisions taken here will inevitably affect the fishing industry that I, as Minister of Marine Resources, am mandated to protect.
- 4.572. The Bahamas is an archipelago of over 13,940 square kilometres and extends 950 kilometres stretching from the south-eastern peninsula of the United States to the western coast of Hispaniola and northern Cuba. The 700 islands and cays and 3,542 kilometre coastline makes the ocean and fisheries critical to national development. Our fishing industry comprises artisanal and small-scale fishers. The sector contributes significantly to employment, food security, rural development and livelihoods in coastal communities. On average, the fishing industry contributes between .5% to 1% to the GDP of The Bahamas annually. The importance of the fishing industry to the development and growth of The Bahamas is recognized at all levels and is seen as having the greatest potential for the development of many island economies particularly in the south-eastern Bahamas.
- 4.573. The blue economy and its sustainability is very important to The Bahamas. That is why the Government of The Bahamas invested millions of dollars on new regulations, better enforcement and capacity building and institutional strengthening for the fisheries industry to address matters relating to the sustainable use, sustainable development, and management of fisheries resources, and the marine environment. The Bahamas and other CARICOM countries account for a low percentage share of global marine capture fisheries, have insignificant levels of subsidization and do not cause overcapacity and overfishing of the world's fish resources.
- 4.574. That being said we concur with the views expressed by previous speakers that a fisheries subsidies agreement should: firstly, be consistent with international law of the sea and does not affect the sovereign right of states under relevant international law, including territorial integrity, undermine the primacy of states to determine their maritime space; secondly, complement and not duplicate or contradict international instruments on oceans and fisheries management; thirdly, not prevent Member States from sustainably developing their ocean economy and their Exclusive Economic Zone; fourthly, technical assistance and capacity building should not be a substitute for clear, operational, effective and appropriate special and differential treatment in line with Doha and Ministerial Declarations and underscored in the Sustainable Development Goal 14.6; fifthly, there should be transparent notification requirements that should not be burdensome for developing and

LDC Members with multi-species ecosystems; and finally, the proposed Agreement should exempt small scale fishing, the de minimis 2% threshold, from prohibition clauses.

4.575. The Trade Negotiations Committee <u>took note</u> of the statements<sup>6</sup>.

### 4.2 Summing Up by Chair of the Negotiating Group on Rules

- 4.576. H.E. Ambassador Santiago Wills, <u>Chairman of the Negotiating Group on Rules</u>, provided the following summary<sup>7</sup>:
- 4.577. 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.
- 4.578. 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. 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.
- 4.579. 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.
- 4.580. 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. 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.
- 4.581. 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".
- 4.582. 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.
- 4.583. 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

<sup>&</sup>lt;sup>6</sup> At their request, the statements by the Ministers of Brunei Darussalam, Dominica, Gabon and Haiti are incorporated in the minutes of this meeting and can be found in the annex of this document.

 $<sup>^{7}</sup>$  The summary by the Chairman of the Negotiating Group on Rules was circulated in the annex to document JOB/TNC/95.

space for sustainable fishing – is extremely useful as we enter this new phase of text-based negotiations. As the Director-General 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.

- 4.584. 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 Twelfth Ministerial Conference later this year.
- 4.585. The Trade Negotiations Committee  $\underline{took}$  note of the Summary by the Chairman of the Negotiating Group on Rules.

# 5 CLOSING STATEMENT BY TNC CHAIRPERSON - DIRECTOR-GENERAL DR. NGOZI OKONJO-IWEALA

- 5.1. Director-General Dr. Ngozi Okonjo-Iweala, <u>TNC Chairperson</u>, provided the following statement<sup>8</sup>:
- 5.2. We have successfully concluded a very long, but very productive meeting. Perhaps unsurprisingly for our first virtual meeting of this kind, there were some technical hiccups. I do not 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.
- 5.3. I want to extend my strong sincere thanks and gratitude to the Secretariat team who made this happen today. 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.
- 5.4. As you can see, Santiago and I keep repeating this, because for this kind of TNC meeting, it is unprecedented. 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. 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!
- 5.5. 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.
- 5.6. 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 LDC Members. On other aspects

<sup>&</sup>lt;sup>8</sup> The TNC Chairperson's Opening Statement was circulated in document JOB/TNC/94.

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.

- 5.7. 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.
- 5.8. 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. 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 Ambassador 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.
- 5.9. 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.
- 5.10. 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. 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.
- 5.11. 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. 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. 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.
- 5.12. With these words, let me sincerely thank all of you again for your engagement today. 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. The weeks and months ahead are the time to seal this deal once and for all. I hope the next time we meet on this issue; it will be to adopt a balanced, quality fisheries subsidies agreement.
- 5.13. The Trade Negotiations Committee took note of the TNC Chairperson's statement.

#### **ANNEX**

#### STATEMENTS BY MINISTERS OF BRUNEI DARUSSALAM, DOMINICA, GABON AND HAITI

At their request, the statements by the Ministers of Brunei Darussalam, Dominica, Gabon and Haiti are incorporated in the minutes of this meeting.

# 1. Statement by H.E. Dato Dr. Amin Liew - Minister at the Prime Minister's Office and Minister for Finance and Economy II of Brunei Darussalam

As a coastal state, Brunei Darussalam also shares the view that we need to sustain our marine life for future generations and like others, we have also been affected by IUU Fishing and are concerned about overcapacity and overfishing. We have encountered many challenges pertaining to these issues as annually there are numerous cases of illegal fishing conducted by foreign fishing vessels in our waters.

In this regard, we support the introduction of multilateral arrangements to govern these issues and strongly support the elimination of fisheries subsidies. To this end, we have, over the years, introduced policies that are geared towards sustaining marine life in the country, in line with Ministers' mandates at previous MCs and in accordance with SDG 14.6.

For example, in 2011, we introduced a 'National Action Plan to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated (IUU) Fishing, which aims to (i) enhance and strengthen the overall level of fisheries management in Brunei's waters; (ii) sustain fisheries resources and the marine environment; and (iii) optimise the benefit of adopting responsible fishing practices. And more recently, we have designated a total area of 1,208.07 square kilometres as Marine Protected Areas (MPAs) which equates to 20% of the country's total marine area to maintain the diversity of aquatic life.

Despite negotiating on fisheries subsidies for the past 20 years, the timeframe of 2020 to achieve SDG target 14.6 to, "by 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing and refrain from introducing new such subsidies, recognizing that appropriate and effective special and differential treatment for developing and least developed countries should be an integral part of the World Trade Organization fisheries subsidies negotiation," was unfortunately missed.

Nonetheless, current discussions on the draft text have been positive, and much progress has been made in the last year despite challenges posed by the pandemic. As such, we encourage negotiators to exercise flexibilities to have this agreement finalized before the Twelfth WTO Ministerial Conference at the end of this year.

### 2. Statement by H.E. Honourable Fidel Grant – Minister for Blue and Green Economy, Agriculture and National Food Security of Dominica

The position on the consolidated text was formulated from a series of consultations convened by the CARICOM Secretariat over the years with senior government officials from Trade, Fisheries and other relevant government agencies in Member States with the guidance of Trade experts and member states permanent representatives at the WTO in Geneva. Dominica represented by officials from the Ministry of Trade and the Fisheries Division have actively participated in these consultations, providing Dominica's positions based on national consultations held with stakeholders and influenced by Dominica's interest.

In this regard, the Fisheries Division representing the Ministry of Blue and Green Economy, Agriculture and National Food Security, confirms that these current positions reflect the interest of Dominica.

Therefore, it is being recommended that these CARICOM positions be endorsed as Dominica's position on the WTO Fisheries Subsidies Negotiation for the upcoming WTO Ministerial Trade Negotiations Committee Meeting schedule for 15 July 2021.

### 3. Statement by H.E. Mr. Biendi Maganga-Moussavou – Minister for Agriculture, Livestock, Fisheries and Food of Gabon

The sustainability objective of the fisheries subsidies negotiations is consistent with the commitments made by Gabon, which has been undertaking a number of reforms along these lines since 2012, in accordance with the "Gabon Bleu" vision of the President of the Republic, Head of State, H.E. Mr. Ali Bongo Ondimba Nevertheless, Gabon would like to draw Members' attention to the fact that some of the provisions contained in the disciplines of the draft agreement would have a negative effect on the ambitions of developing and LDC Members.

We therefore strongly support the addition of special and differential treatment (S&DT) provisions that will safeguard the interests of developing and LDC Members in the development of artisanal and small-scale fisheries. In this regard, Gabon's position is that the provision contained in paragraph 5.3.2 of Article 5 on the prohibition of subsidies concerning overcapacity and overfishing, regarding payments under government-to-government access agreements, should not be considered as subsidies subject to the disciplines indicated in paragraph 5.1. A process of industrialization of the tuna sector is under way in our country. This type of financing contributes to the development of our fisheries as well as to the strengthening of our capacity to monitor fishing activities.

We believe that the discussions on fisheries resource management should not be diverted to the field of development assistance generated by the new generation fisheries agreements, which now cover the dimension of the sustainable management of fisheries resources. Gabon urges States to follow the RFMOs in taking responsibility by objectively considering the advice of the scientific committees when making decisions on capacity limits and overfishing, with a view to stock recovery.

I will conclude my remarks by agreeing to authorize the Heads of Delegation in Geneva to contribute to the flexibility needed to conclude the negotiations. Furthermore, I agree that the key component of S&DT is for poor and vulnerable countries engaged in artisanal fishing in developing and LDC Members.

#### 4. Statement by H.E. Mr. Jonas Coffy - Minister for Trade and Industry of Haiti

I hereby, speaking in my capacity as Minister for Trade and Industry, affirm my commitment to conclude the negotiations on fisheries subsidies as soon as possible before the Twelfth Ministerial Conference of the WTO, and confirm that the fundamental elements of the agreement necessary to reach a conclusion can be found in the current draft text. To this end, I stand ready to fully empower my Head of Delegation in Geneva to contribute the flexibility necessary to conclude the negotiations.

Furthermore, I agree that for the purposes of the current negotiations on fisheries subsidies and without prejudice to any Member's position on special and differential treatment in any other context, the essential element of special and differential treatment is in favour of poor and vulnerable fishermen practicing artisanal fishing in my country.