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WTO must complete an ambitious fisheries subsidies agreement

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The World Trade Organization (WTO) achieved a significant milestone in June 2022 by adopting a much-anticipated fisheries subsidies agreement[1], aligning with strong recommendation from the global scientific community[2]. This pivotal agreement marks a crucial advance towards ensuring the sustainability of our ocean. For the first time, it establishes binding global regulations compelling governments to assess the legality and sustainability of the fishing activities they subsidize. Harmful subsidies are a key driver of overfishing which is a major threat to ocean biodiversity[3]. Subsidies also exacerbate CO_2 emissions from fishing sectors by incentivizing over-capacity[4] and putting coastal livelihoods and food security at risk[5]. Within this agreement, trade ministers committed to further negotiations on unresolved matters. Such matters include crafting new regulations to diminish subsidies contributing to overfishing and excessive fishing capacity (Fig. 1) that have given some countries an unfair advantage in exploiting the ocean[6]. Removing harmful subsidies and therefore overfishing, will help to rebuild diverse fish populations, subsequently leading to increased levels of sustainable catches, and income for fishers. Rebuilt fish populations would also help reduce carbon emissions[7,8].

With an upcoming ministerial meeting in February 2024, WTO members are uniquely positioned to institute additional regulations that eliminate harmful subsidies, demonstrating their dedication to safeguarding the ocean and charting a more sustainable and equitable pathway forward with a commitment to more equitable trade.

We, a coalition of scientists representing all inhabited continents, urge the WTO to conclude the second round of negotiations by adopting ambitious regulations prioritizing fisheries sustainability and equity.

The necessity for additional regulations is clear. While the current agreement tackles acute concerns regarding fisheries sustainability — prohibiting subsidies facilitating illegal, unreported, and unregulated (IUU) fishing (Article 3), exploitation of overfished populations (Article 4), and unmanaged fish populations in the high seas (Article 5) — broader regulations are imperative to tackle the root causes of overfishing. This is particularly relevant for subsidies incentivizing unsustainable fishing capacity[9], which is further facilitated by improper or incomplete reporting of catches[10]. This need aligns with the specific target of the United Nations (UN) Sustainable Development Goal (SDG) 14.6: The WTO should as soon as possible after 2020 prohibit certain forms of fisheries subsidies that contribute to overcapacity of fishing fleets and overfishing, eliminate subsidies that contribute to IUU fishing and refrain from introducing similar new subsidies. This must be done whilst recognizing that appropriate and effective special and differential treatment is needed for developing countries, particularly in regions where climate change will have a greater impact.

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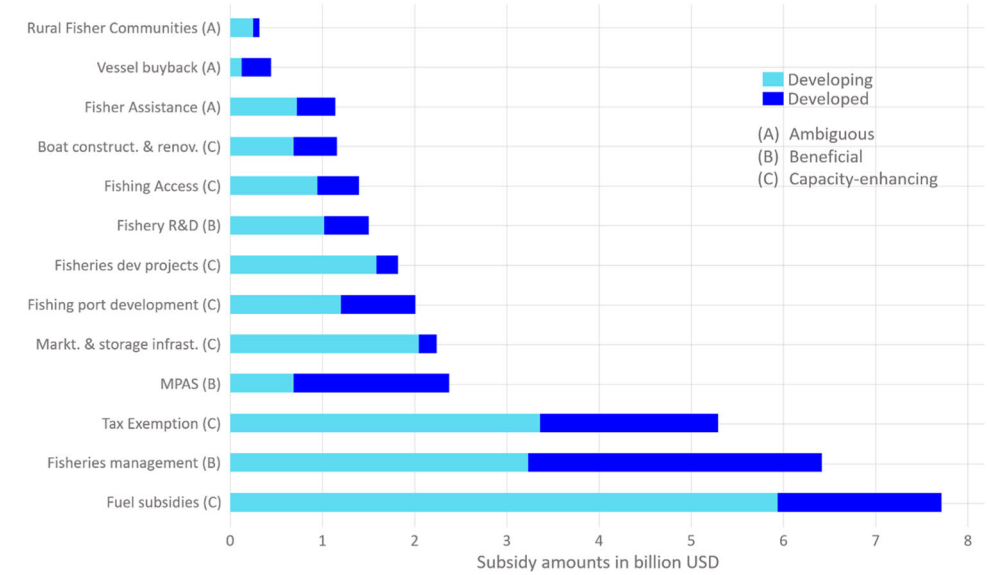

Fig. 1 Fisheries subsidies amount by category and type and grouped by developed and developing country groups (dark vs. light blue, respectively), for 2018[6].

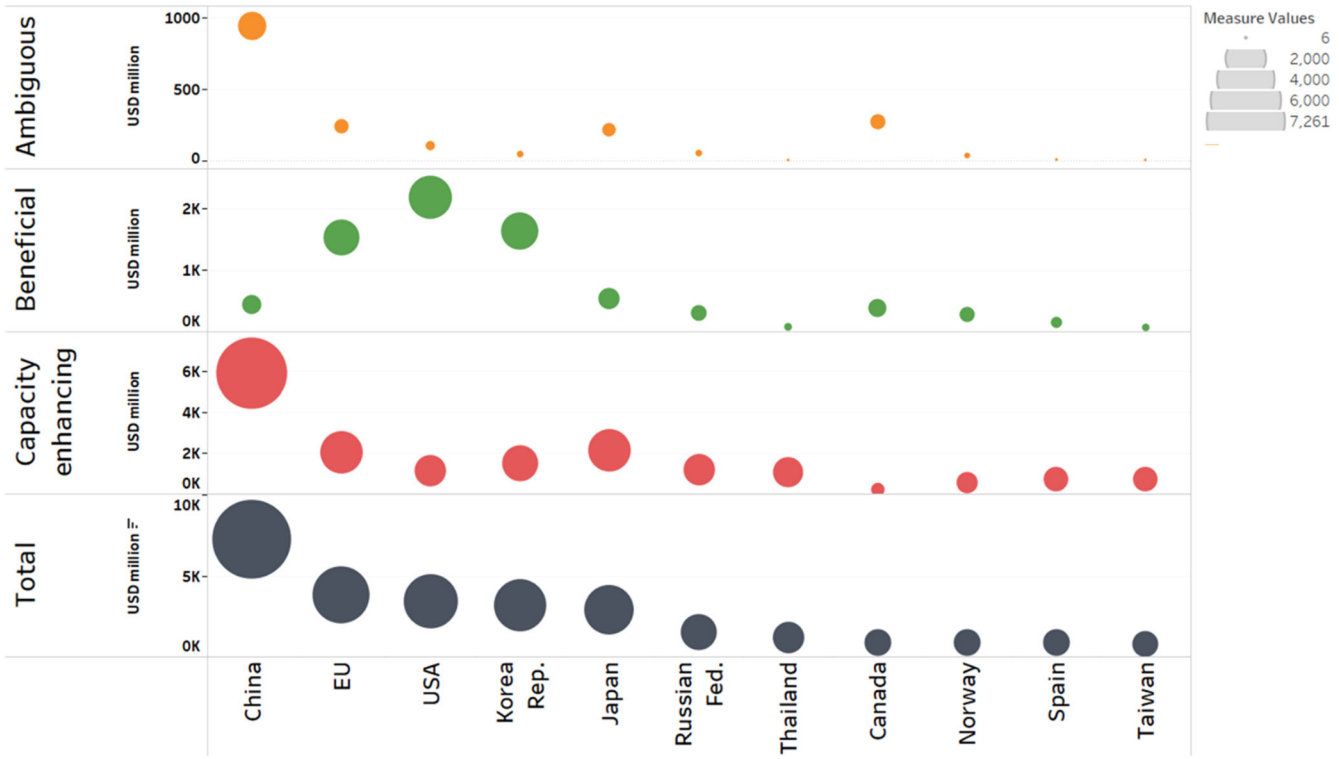

Fig. 2 Top subsidizing nations/political entities in 2018 (amount in million USD) by category of subsidy (i.e., ambiguous, capacity-enhancing, and beneficial)6 and total. Color and size show the details about Ambiguous, Beneficial, Capacity-enhancing and Total.

To combat overfishing, halt biodiversity loss and CO_2 emissions, and secure food supply and peoples' livelihoods, WTO members must prohibit remaining harmful fisheries subsidies[11,12]. Clear prohibitions against subsidies driving overfishing and excessive fishing capacity, such as those reducing fuel and vessel construction costs or artificially inflating market prices[6], are crucial (Fig. 1). Negotiators are considering exemptions for subsidies allocated to managed stocks with biologically diverse and sustainable fish populations. However, this could create unintended loopholes. Should exemptions be part of the agreement, subsidizers should be required to demonstrate the effectiveness of their sustainability measures, with major subsidizers taking meaningful action toward commitments to preserve biodiversity and fish populations.

Furthermore, subsidies for distant water fishing fleets, wherein nations fish beyond their own territories, must be abolished to prevent overfishing in international waters and in the coastal waters of countries that are food and nutrition-insecure — i.e., countries/political entities with lower Gross Domestic Products (GDPs) than the subsidizing countries. Among the highest subsidizing nations/political entities are China, the European

Table 1. Harmful subsidies in 2018 by leading Distance-Water Fishing (DWF) nation/political entities targeting fish in the exclusive economic zones (EEZs) of other countries or the high seas (data source www.dwfsubsidyatlas.org).

Leading DWF nations/ Political entities	Harmful subsidies (in millions USD)	Fishing effort (in thousands of hours)	Fishing effort (in millions kWh)	Number of vessels
China	629	962	579	4615
EU	279	581	529	964
Japan	240	207	173	221
Republic of Korea	217	135	157	333
Taiwan	175	665	590	634
Total	1540	2550	2030	6767

Union (EU) as a block, USA, and The Republic of Korea (Fig. 2), which are particularly active in distant water and high seas fishing (Table 1). Evidence indicates that fishing in the high seas is predominantly supported through government subsidies[13,14] and such subsidies jeopardize low-income countries that are reliant on fishing for food and nutrition security[15,16]. Under the banners of special and differentiated treatment and assuring sustainability, exemptions provided to low-income countries should only apply to small-scale fishers within national waters utilizing low-impact techniques or engaged in Indigenous and/or subsistence fishing — and even for these groups of fishers, subsidies should be strictly dissociated and decoupled from catalyzing overfishing[17].

We call upon global leaders to conclude the WTO fisheries subsidies agreement negotiations and to craft the supplementary regulations essential for lasting sustainability and equity in the ocean. Well-managed wild fisheries are pillars supporting food and nutrition security, livelihoods, equity, and cultural heritage. WTO members must leverage their political authority to safeguard ocean health and societal wellbeing as this will help achieve infinity fish[18] and ocean resilience.

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AUTHOR CONTRIBUTIONS

U.R.S. contributed to conceptualization, writing, and supervision; L.A. worked on information curation, editing, and formatting. All other authors contributed to writing and revising the manuscript.

COMPETING INTERESTS

The authors declare no competing interests.

ADDITIONAL INFORMATION

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