

PART 1 – INTRODUCTION

The WTO Agreement on Fisheries Subsidies (the Agreement), adopted at the 12th Ministerial Conference on 17 June 2022, marks a major step forward for ocean sustainability by prohibiting harmful fisheries subsidies, which are a key factor in the widespread depredation of the world's fish stocks. The new disciplines will have important, positive effects on the sustainability of marine fish stocks and fisheries:

- By curbing subsidies to illegal, unreported and unregulated fishing, the Agreement creates a powerful new weapon in the global fight against such fishing.
- By prohibiting subsidies to fishing on overfished stocks, the Agreement puts important protections in place where management measures are ineffective.
- By prohibiting subsidies to fishing on the unregulated high seas, the Agreement also puts important protections in place where management measures do not exist.

Improving the sustainability of fisheries is critical to the development of the sustainable blue economy, and especially to the millions of mostly poor people who make their living by fishing. The new Agreement thus delivers on the mandates of SDG Target 14.6 and the 11th Ministerial Conference (MC11), which mirrors the language of Target 14.6.

SDG Target 14.6



By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, and eliminate subsidies that contribute to IUU 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 WTO fisheries subsidies negotiation



In addition to the three main prohibitions under the Agreement, members commit to take special care and exercise due restraint when granting subsidies to vessels not flying their flag and also when granting subsidies to fishing or fishing related activities regarding stocks the status of which is unknown.

The robust notification and transparency provisions are key to the effective implementation of the Agreement. In addition to their regular periodic notifications of subsidies under the Agreement on Subsidies and Countervailing Measures, every member is required to provide information relevant to the implementation of the Agreement. This information includes the type or kind of fishing activity for which the subsidy is provided; and to the extent possible the status of the fish stocks in question, catch data, fisheries management measures, information on vessels benefitting from subsidies, and a list of vessels and operators the notifying member has determined to have engaged in IUU fishing.

In accordance with the mandate from SDG 14.6 and the 11th WTO Ministerial Conference, special and differential treatment has been an integral part of the negotiations, and it is reflected in the outcome. There are two-year peace clauses for WTO disputes relating to subsidies granted by developing country members and LDC members for IUU fishing and for fishing overfished stocks. Article 6 also requires members to exercise due restraint when raising matters involving an LDC member and to take into account that member's specific situation when exploring solutions.

The focus on environmental sustainability of the new Agreement is a somewhat new area of work for the WTO, and this Agreement is comprehensive in imposing multiple new obligations on members. It therefore is anticipated that implementing it may pose challenges for developing country and LDC members in areas such as integrating fisheries-related elements into their subsidies policies and putting in place their fisheries information and management systems.

Members have been aware throughout the negotiations that compliance – even for members whose initial obligations will relate only to notification rather than changing subsidy programmes – will require additional efforts and resources. For that purpose, the Agreement envisages the creation of the voluntary WTO funding mechanism to provide targeted technical and capacity building assistance to developing country and LDC members, supporting their implementation of the new disciplines.