

**E15 Initiative Oceans, Fisheries and the Trade System: Draft policy options summary table**

Work Package	Policy Option	Current status	Gap	Steps	Parties involved
<p align="center"><b>Close international market for illegal, unreported fish</b></p>	<p><b>Build consultative, effective, unilateral measures, including bans, on illegal and unreported fish.</b></p>	<p>This is already happening.</p> <p>The EU import measure is currently the strongest option being implemented. While the ideal would be to have a multilateral agreement to address the challenge of IUU fishing. In the meantime, transparent and consultative unilateral trade policy measures are a useful way forward.</p> <p>A US Presidential Task Force has also released an action plan to begin to address the challenge of illegal fish trade.</p>	<p>1) Currently, a key gap in the effectiveness of the EU’s measure is that it is limited to one import market; other main markets (US, Japan) don’t have similar systems.</p> <p>2) Compliance by EU’s own Member States with the import measures is not effective.</p> <p>Any IUU import measure will depend on fisheries management tools, including Catch Documentation Schemes, IUU vessel lists, and flag state responsibilities. The real impact of any IUU measure will depend on improving the reliability of these underlying marine governance systems.</p>	<p>1) Other large seafood markets, particularly the US and Japan, should be encouraged to adopt transparent and consultative trade measures, taking into account current best practice in the form of the EU’s system, to address IUU fish transshipment and imports, that include a ban as the last option.</p> <p>2) Those countries implementing unilateral measures should strive to continuously improve them, including by monitoring and providing strong (positive and negative) incentives for compliance by their own nationals.</p>	<p>1) Implementing unilateral measures in other large markets will require leadership by the relevant governments (e.g. US and Japan), civil society as well as domestic fishing and processing industries.</p> <p>2) Improving existing unilateral measures will require leadership by governments and the fishing industry.</p>

	<p><b>Network of regional measures, including bans on imports and transshipment, to address IU fish trade</b></p> <p>(The real novelty with this approach is that it seeks to use regional trade agreements to link unilateral IUU trade measures together, either directly or by establishing platforms that will help countries converge towards best practice.)</p>	<p>The EU import measure is currently the strongest option being implemented.</p> <p>It is possible that the TPP agreement may impose relatively soft obligations on its Parties to address IUU fish trade.</p>	<p>The existing EU import measure and potential system to be applied to TPP parties (including large markets like the US and Japan) do not appear to be linked in any way, creating the potential for inconsistency.</p> <p>The membership of existing regional agreements (into which platforms would be built) currently excludes some large import markets (particularly China).</p>	<p>Regional trade agreements could be used to build a cohesive network of regional platforms for IUU measures in several ways:</p> <ol style="list-style-type: none"> <li>1) The US-EU TTIP agreement could include provisions to ensure coherence between, or directly link, the EU IUU system and the evolving US system.</li> <li>2) The TPP agreement could establish a platform for TPP Parties to move towards current best practice in import measures (the EU system) or a linked US-EU import system if there was one.</li> <li>3) Other large import markets could join the TPP IUU platform, either through accession to the TPP (with market access as the incentive) or through separate</li> </ol>	<ol style="list-style-type: none"> <li>1) The TTIP Parties (the US, EU) would negotiate and approve these provisions.</li> <li>2) TPP Parties would negotiate and approve the IUU measures platform.</li> <li>3) Other large markets (e.g. China) would be key to expanding the coverage of the TPP platform.</li> </ol>
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				adherence to the provisions of the agreement establishing the IUU platform (with political kudos and normative leadership as the incentive).	
	<p><b>System of multilateral instruments (including potential ban) on trade in illegal, unreported fish</b></p> <p>(This idea is also new in the sense that it seeks to use regional trade agreements to support the entry into force of other multilateral instruments, and in that it seeks to establish, through the WTO, a code of conduct on illegal trade, which has not been done before.)</p>	<p>Illegal fish trade is addressed in some existing multilateral instruments, but not in the trade system itself.</p> <p>1) In the FAO, the Port State Measures Agreement (PSMA) addressing landing of illegal product has 11 ratifications but is not yet in force.</p> <p>2) In CITES, several important and vulnerable marine fish species, particularly blue fin tuna, are not subject to protected trade controls.</p>	<p>1) PSMA not yet in force.</p> <p>2) Key endangered fish species (eg Bluefin tuna) not listed on CITES</p> <p>3) There is currently no multilateral agreement focused on trade in products of IUU fishing.</p>	<p>1) Regional trade agreements could be used to incentivise ratification, and eventual entry into force, of the PSMA. For example, Parties to the TPP agreement could agree to ratify the PSMA, and to make PSMA ratification a requirement for accession to the agreement.</p> <p>2) CITES Parties should work to list key fish species on CITES Annex I or II, combined with support for industry adjustment in countries affected by</p>	<p>1) TPP Parties would need to establish this obligation in the agreement.</p> <p>2) CITES Parties would need to agree to these listings and provide the required support for adjustment.</p> <p>3) WTO Members participating in unilateral or regional IUU schemes could lead the development of this voluntary code.</p>

				<p>the resulting restriction of trade.</p> <p>3) Key elements of best practice unilateral or regional IUU systems could be captured in a voluntary code (or reference paper) on IUU fish imports and transshipment, in the WTO, for WTO members to subscribe to.</p>	
	<p><b>Support expansion of private sector schemes</b></p>	<p>Several private sector certification schemes include, or focus on, assessments of the legality of the fish caught.</p> <p>MSC includes a legality element (do FIPs?)</p> <p>Species-specific legal catch systems (eg Bering Sea cod)</p>	<p>Many fisheries, particularly in developing countries, are not covered by effective governance, private sector certification or other schemes</p> <p>Traceability of fish products, particularly in low-capital fisheries, is very difficult.</p>	<p>1) Certification bodies should include evidence of legal harvest in certification and pre-certification systems (if not already present)</p> <p>2) Certification bodies should ensure the standards are accessible to developing country fisheries.</p> <p>3) Increase Aid for Trade (AfT) support for the development of infrastructure to enable traceability and eventual</p>	<p>1) Certification bodies, both public and private, and for pre-certification, fish buyers and fishing industry would need to be involved.</p> <p>2) Private and public fisheries legality and sustainability certification bodies.</p> <p>3) AfT donor and recipient governments' involvement required.</p>

				certification of fish products.	
<b>Discipline fisheries subsidies</b>	<p><b>Improve transparency around subsidies by strengthening reporting requirements</b></p> <p>(The ideal option is still to have an ambitious, multilateral agreement along the lines of the WTO Chair's 2007 text. It appears, however, that before this happens, we will see disciplines on fisheries subsidies in the TPP agreement. These options present possible ways of building towards ambitious outcomes in either fora. Those that build on a plurilateral agreement are new.)</p>	<p>WTO members are obliged to notify fisheries subsidies under the SCM Agreement.</p> <p>TPP Parties are also likely to be subject to an additional obligation to notify their fisheries subsidies.</p> <p>The OECD and others maintain databases of notified and estimated subsidy levels.</p> <p>The G20 receives reports on certain subsidies from different IGOs.</p>	<p>Despite the obligation in the WTO, notification of fisheries subsidies is patchy. There are very few sources of independent assessments of real subsidy levels against which to assess notifications, and also no strong consequences of not fully notifying.</p> <p>Independent (IGO, NGO, academic) databases and reports are helpful, but coverage of countries is limited, and in some cases must rely on estimates.</p>	<p>1) Further support to the development of comprehensive independent databases of fisheries subsidies (similar to the OECD's work on agricultural subsidies) that could be used by NGOs to publish 'parallel' subsidy notifications.</p> <p>2) WTO Members could be encouraged to file counter-notifications of fisheries subsidies.</p> <p>3) Specific additional notification requirements for fisheries subsidies could be established in the WTO.</p> <p>4) The WTO Secretariat could reference counter-notifications by governments, or parallel notifications</p>	<p>1) The academic, IGO and NGO community would need to lead this independent research and assessment work.</p> <p>2) WTO Members would need to file these counter-notifications, but would rely on IGO, NGO, academic research.</p> <p>3) WTO Members would need to agree this, perhaps as a decision in the SCM Committee.</p> <p>4) The WTO Secretariat would do this, but would require the support of WTO Members.</p> <p>5) TPP Parties would need to lead this in the relevant TPP</p>

				<p>by IGOs or NGOs in Trade Policy Reviews.</p> <p>5) Committees in the TPP could reference parallel or counter-notifications by governments or NGOs their review of Members' notifications.</p>	<p>committees, relying on IGO, NGO, academic research.</p>
	<p><b>Core group of countries adopts disciplines</b></p>	<p>TPP may include disciplines on subsidies to over-fished stocks and IUU vessels</p>	<p>Any TPP disciplines will not cover several large subsidisers (EU, China, Chinese Taipei, Russia).</p>	<p>The TPP outcome could be used as a stepping stone towards multilateral disciplines by way of plurilateral agreement on subsidies, subscribed to by a 'core group' of large subsidisers, built by one or more of the following options:</p> <p>1) Accession to TPP (e.g. by China) would require acceptance of the TPP subsidies disciplines in exchange for preferential market access.</p>	<p>1) TPP parties would need to agree to the accession of others (e.g. China) on condition that they accepted subsidy disciplines.</p> <p>2) TPP parties and others would need to build this stand-alone agreement.</p> <p>3) The US would need to push this in the TTIP, with the support of NGOs and some European countries.</p>

				<p>2) The TPP disciplines could also become a 'stand alone' code that large subsidisers would have political incentives to join.</p> <p>3) The US could push to introduce TPP disciplines into the TTIP agreement, binding the EU.</p> <p>4) Other regional agreements (e.g. ASEAN, the Pacific Alliance, Caricom) could also adopt the TPP disciplines on a regional basis.</p>	<p>4) Governments that are parties to regional agreements would need to push this, with support from local civil society.</p>
	<p><b>Multilateral disciplines built step-wise and 'bottom up' based on a plurilateral deal + negotiation of the remaining ambition gap</b></p>	<p>TPP may include disciplines on subsidies to over-fished stocks and IUU vessels</p>	<p>Important potentially harmful subsidies appear to not be part of the TPP disciplines, particularly subsidies to fuel and vessel construction.</p>	<p>The 'stepping stone' of a plurilateral agreement could eventually be multilateralised in the WTO if there were enough large subsidisers involved. There are several options for this:</p> <p>1. TPP Parties (and members of a wider 'core group') would re-commit in the WTO</p>	<p>TPP Parties and a wider core group of major subsidisers, would need to be involved for this series of steps to be effective in the WTO.</p>

				<p>to agreed subsidy disciplines in the form of a MFN agreement (like ITA) or voluntary code.</p> <p>2. The core group would then negotiate the phase-out of the remaining important subsidies in the 'gap': e.g. fuel, construction.</p> <p>3. Accession by other WTO Members to the MFN'd agreement (or code) would require adherence to the basic disciplines agreed by the core group and commitment to phase-out of the 'gap' subsidies.</p>	
	<p><b>Multilateral disciplines built on areas of agreement in WTO negotiations</b></p>	<p>Chair report 2011, areas of (relatively) more agreement = subsidies to IUU vessels, transfer of vessels, access agreements</p>	<p>Subsidies to over-fished stocks arguably should have been listed. FAO lists 29% of stocks as over-fished.</p>	<p>The first-best option – an ambitious multilateral agreement – could also be pursued by re-structuring the WTO negotiations.</p> <p>1. Re-start the WTO negotiations focusing on areas of</p>	<p>WTO Members</p>

				agreement: subsidies to IUU, transfer of vessels, access agreements (maybe also over-fished stocks)	
	<b>Multilateral disciplines focused on widely-acknowledged harmful subsidies</b>		WTO negotiations can't agree on what is harmful	1. Re-start the WTO negotiations by focusing on the subsidies that evidence suggests are most likely to be harmful (construction, fuel) and focus on developing a way of phasing them out.	WTO Members would lead this, with support from the scientific community on the evidence of harm.
	<b>Align incentives by focusing international subsidy negotiations on international stocks</b>	WTO negotiations cover subsidies to both EEZ and High Seas	No domestic political incentive to address domestic subsidies.  Issues of small-scale EEZ fishing make global disciplines harder to achieve at the international level.	1. Re-start the WTO negotiations giving a higher priority to subsidies that affect international stocks (discrete high seas, shared, straddling, highly migratory), then expand disciplines to EEZ subsidies.  2. Build evidence around impact of domestic subsidies on domestic fish stocks in key countries.	1. WTO Members would need to lead this, with support from the FAO around which stocks fell within the new scope.  2. National governments, the research community and NGOs would need to build this evidence.  3. Local civil society would need to push this.

				3. Lobby for reform of domestic fishing subsidies.	
<b>Tariff and non-tariff barriers</b>  None of these are radically new ideas, but the idea of having transmissible mutual recognition built into RTAs, as applied to fish products, is probably novel.	<b>Differentiate in HS of tariff codes between capture and aquaculture fish</b>	Already being considered in WCO	Decision pending.	Encourage governments to support differentiation decision.	National customs authorities. Would need to move this decision.
	<b>Support preference-dependent countries to adapt by negotiating more flexible ROO in preference schemes</b>	Few preference agreements allow 'global sourcing'	Re-negotiated preference agreements should allow more flexible sourcing to balance the loss of competitiveness as preferences are eroded.	Negotiate more flexible ROO for fish products, conditioned on fish meeting sustainability and legality requirements, in EPAs, preference agreements.  LDCs are presumably covered by DFQF market access.	Preference-giving and receiving countries would need to negotiate this in their agreements.
	<b>Support preference-dependent countries to adapt by providing support to reach standards</b>	Aid for Trade, ITC, WTO technical assistance provided for countries to meet standards	Support appears to be insufficient	Preference-giving countries to re-orient AfT or tariff revenue to adaptation support	Preference-giving countries would need to re-shape their tariff revenue use and AfT supply priorities.  Preference receiving countries would need to re-shape their AfT demand priorities.  ITC to act as link?

	<b>Coherence between private standards and TBT Standards Code</b>	Some private standards may reflect TBT principles	Some private standards may not reflect TBT principles	<ol style="list-style-type: none"> <li>1. Encourage private sector standard-setters to consider TBT Code principles.</li> <li>2. UNFSS and ITC standards platforms could prioritise focus on fisheries product standards.</li> </ol>	<ol style="list-style-type: none"> <li>1. Private sector standard-setters and certification bodies.</li> <li>2. UNFSS and ITC Secretariats.</li> </ol>
	<b>Link mutual recognition systems for standards applicable to fish products</b>	<p>National SPS, TBT systems vary, applied inconsistently</p> <p>TTIP, TPP considering mutual recognition (MR) provisions</p>	MR between large markets can exclude other producers and reduce their competitiveness, even if their countries' systems meet the standard	Large regional trade agreements' MR systems should allow non-Parties systems to achieve mutual recognition if they are recognised as meeting the required standard by any one of the parties to the RTA.	TPP, TTIP Parties.