



Trade in Fish and Fish Products

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Background: Fish export trade and developing countries

- Share of developing countries in global merchandise exports was 37.5% in 2001 but for export of fish and fish products it was over 50%
- Net exports of fish exports for several developing countries are more than the combined net exports of rice, coffee and tea
- Net fish exports from developing countries have increased from US\$10 billion in the year 1990 to US\$18 billion in the year 2000



Tariff measures and exports of fish and fish products

- Tariffs on primary fish products are low in most developed country export markets (except EC where tariffs on primary shrimp can vary from 12 to 18%); Average tariff in Japan is 4.1%; United States is 1%; In-quota and off-quota restrictions in the EC and Japan
- Tariffs on processed fish and fish products can go up to 25%; there are greater in-quota and off-quota variations



Non-tariff measures and export of Asian fish and fish products

- EC has provisions to discriminate against import of fish and fish products if they have not met with their obligations under existing MEAs



MEAs in fisheries and WTO

- Any legally-binding instrument to protect the environment and which is relevant to sub-paragraphs (b) and (g) and the headnote of GATT Article XX
- 1972 Wetland Convention called the Ramsar Convention
- 1973 CITES (shrimp-turtle dispute with the US)
- 1980 CCAMLR
- 1992 CBD
- 1995 UN Fish Stocks Agreement
- MEA obligations and market access (EC)

Non-tariff measures and export of Asian fish and fish products 2

- Sanitary and phytosanitary measures – adoption of HACCP under Codex Alimentarius Commission, which is recognized by SPS Agreement, from 1999 in the US; from 2000 in EC; residue monitoring system in EC from 2001



Non-tariff measures and fish and fish products 3

- Histamine content in canned sardine, mackerel and anchovy (<50 ppm in the US; <150 ppm in EC)
- Limits on heavy metals in wild fish (cadmium detected in swordfish exports from Seychelles in 2003)
- Fish imports from third countries to the EC to be accompanied by a certificate from an authorized national agency
- Individual exporter has to demonstrate an understanding and ability to produce seafood according to US regulations



Doha Round and Fisheries

- Removal of tariff and non-tariff barriers
- New negotiations aimed at clarifying and improving WTO disciplines on fisheries subsidies
- Negotiate the relationship between WTO rules and specific trade obligations under Multilateral environmental agreements



Removal of tariff and non-tariff barriers

- Formula approach to reducing tariffs, to
- reduce or eliminate tariff peaks, high tariffs and tariff escalation on a line-by-line basis based on current average tariff
- LDCs are not required to apply tariff reduction formula
- Swiss formula to reduce higher tariffs by a higher percentage



Zero-for-zero approach or sectoral tariff elimination

- WTO members accounting for the largest share of world imports and exports of fish and fish products decide to eliminate tariffs without waiting for smaller supplying countries to take a similar decision



Removal of tariffs

- Should fish and fish products be treated like other non-agricultural products, or do they deserve to be treated separately?
- Should there be sectoral approach to fish and fish products and NAMA? What type of sectoral approach?
- Is movement of tariffs towards zero desirable for fisheries?
- Shouldn't the tariffs be higher for fisheries to put in place management measures?



Fisheries subsidies debate at the WTO

- Doha Declaration, November 2001
- Paragraph 28:
 - “Clarify and improve WTO disciplines on fisheries subsidies taking into account the importance of this sector to developing countries.”



“Friends of Fish”

- SCM rules primarily address market distortions and do not address other trade, environment and development impacts of fisheries subsidies (subsidies that directly promote overcapacity and overfishing), therefore, separate sectoral negotiation on fisheries subsidies is necessary
- (“Friends of Fish”—mainly fish exporting countries from both developed and developing world, including the Philippines in Asia)
- Propose “red” (all capacity-enhancing subsidies) and “amber” categories



Status-quo school

- SCM Agreement should deal only with trade distortions: Korea, LDCs including Maldives and (until recently) Japan: (basically, distant water fishing nations and LDCs that do not have the capacity to harvest the entire potential of their EEZ and LDCs that are dependent on access/license fee or development assistance



Other Proposals

- EC Proposal: Prohibited and permitted categories (“red” and “green” categories)
- China: categorization of fisheries subsidies; S&D treatment of developing countries, especially LDCs; protection of aquaculture
- All proposals highlight the importance of improved notification procedure for fisheries subsidies at WTO



Hong Kong Ministerial 2005

- Decides to further the work on fishing subsidies and NAMA
- Members have been asked to propose which subsidies are to be, and which are the ones not to be, disciplined
- Proposals are already on the table from New Zealand and Brazil proposing new language on fishing subsidies
- ACP countries have given a proposal which includes a section on fishing subsidies



Impact of fish trade on fisheries resources

- In the absence of fisheries management, economic, social and environmental sustainability are at stake in most developing countries
- Production for the export market, particularly shrimp, has had adverse impact on fisheries resources in almost all exporting countries
- Overcapacity, excessive fishing effort, and overfishing pressure in commercially important fisheries
- Cultured shrimp has depressed price of wild harvested shrimp; declining prices has led to trawlers shifting over to high open bottom trawls; access of non-trawl gear groups to fisheries resources has diminished
- Collection of shrimp fry from the wild has impacted upon marine biodiversity



Impact of fish trade on human development

- Intense competition for high value species, high operating costs, which often leads to negative returns on investment, so even in a sharing system fishers may not benefit without adequate management measures
- It is imperative to highlight the importance of fisheries management to optimize benefits from international trade in fish and fish products



Fish trade and human development

- Importance of fish production contributing to employment, income, food security and foreign exchange is better recognized
- Significance of fish trade contributing to human development of coastal communities is not recognized (Article 6.14 of the FAO Code of Conduct for Responsible Fisheries: Trade in fish and fish products should not result in negative social impacts; Article 11.2.2 International trade in fish and fishery products should not compromise the sustainable development of fisheries)



The Message!

- International trade in fish and fish products is good but...
- Conserve the geese that lay the golden eggs
- Protect the dignity and right to life and livelihood of the egg collectors

Thank you