



Item 5 of the Provisional Agenda
COMMITTEE ON FISHERIES
Sub-Committee on Fish Trade
Sixth Session
Bremen, 3-6 June 1998
ISSUES OF INTERNATIONAL TRADE, ENVIRONMENT AND SUSTAINABLE FISHERIES DEVELOPMENT: STATUS OF FISHERIES RESOURCES EXPLOITATION

INTRODUCTION

1. At its Fifth Session in 1996 the Sub-Committee discussed trends and developments in the exploitation of fishery resources and their implications for trade. The purpose of this document is not to update projections of demand and supply which had been the subject of the discussion two years ago, but rather to inform the Sub-Committee about world fishery resources issues of relevance to international trade as they are discussed in the context of international trade, environment and sustainable fisheries development. For the purpose of an introductory review it may be appropriate to recall the origin of world fishery and aquaculture products as presented in Table 1.

		1990	1994	1995	1996
Inland	Aquaculture	8.17	12.11	13.86	15.61
	Capture	6.59	6.91	7.38	7.55
Marine	Aquaculture	4.96	8.67	10.42	10.78
	Capture	79.29	85.77	85.62	87.07

Total	99.01	113.46	117.28	121.01
Source: FAO FISHDAB - 1998				

2. It has been estimated that in 1994 about 35% of the 200 major marine fishery resources showed declining yields, 25% had a stable exploitation at a high level and for 40% yields were still increasing. However, since a reliable estimate of the potential of the latter group does not exist it is not possible to establish exactly up to which level growth may continue, but it already seems evident that fishery landings from areas with a long history of exploitation showed peak production figures (judging from FAO statistics) up to a decade or more ago, particularly for longer-lived bottom fish species such as the halibuts, cods, groupers, etc. The potential for further expansion of these resources is strictly limited, despite the expansion of some fisheries into deeper waters. Areas of remaining potential are in particular, the Western Indian Ocean, and globally, for short-lived resources. These include small pelagics, mesopelagic fish and perhaps oceanic squids. This is not to negate the potential increases in profit margins to be obtained if the problems of open access and excess capacity are solved, and if new markets and products develop as a result of technological change and the projected increase in market demand documented by FAO at the Kyoto Conference in 1995¹.

WORLD FOOD SUMMIT

3. It will be recalled that the Sub-Committee requested at its Fifth Session that the critical contribution of fisheries to world food security should be brought into sufficient focus because it felt that the then available draft Policy Statement and Plan of Action for the World Food Summit (WFS) were lacking it.² Objective 4.3 in Commitment Four of the World Food Summit refers to continued technical assistance to be provided to developing countries in preparing for Multilateral Trade Negotiations (MTN). At the time of writing (March 1998) FAO is preparing a Technical Assistance Programme on the follow-up to the Uruguay Round, and the Fisheries Department participates in this process. It is anticipated that the programme will cover three major areas:

- Advice on policy and capacity building at national level to comply effectively with the new trade framework as well as capacity for effective participation in future negotiations;
- matters related to the Agreements on the application of Sanitary and Phytosanitary Measures (SPS) and on Technical Barriers to Trade (TBT);
- activities related to the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).

RECENT INTERNATIONAL INITIATIVES REGARDING FISHERIES MANAGEMENT AND TRADE

4. In late 1996 a Symposium on the "Interrelationship between Fisheries Management Practices and International Trade" was organized in Wellington, New Zealand. The

objective was to gain Pacific wide recognition of the hitherto unrecognized relationship between fisheries management practices and international trade and to initiate Pacific wide discussion and research on this new issue in fisheries resource management.³ One of the key recommendations of the symposium was "...that Pacific Economic Cooperation Council (PECC) should instruct the Fisheries Task Force to prepare a research programme on the sub-issues arising from fisheries management practices-trade linkages. The research programme would include, but would not be confined to, such issues as the impact of fishing industry subsidies and that influence upon international trade, and methods and techniques of achieving sustainable and economically viable fisheries. In developing the research programme, the Fisheries Task Force should cooperate closely with the Asia-Pacific Economic Cooperation (APEC) Working Group on Fisheries and should look forward to collaborating with such international bodies as the Permanent South Pacific Commission (CPPS), the FAO and the Organisation for Economic Co-operation and Development (OECD).

5. In November 1997, in Vancouver, Canada, the APEC Ministers Responsible for Trade decided that the Early Voluntary Sectoral Liberalization initiative should include fish and fish products (out of a total of 9 sectors selected).

6. The Third Conference of Ministers of Fisheries, held in September 1977 at La Toja (A Toxa), Spain, endorsed a declaration which expresses a number of concerns related to international trade in fish and fishery products. The following may be of particular interest to the Sub-Committee:

- trade regulations adopted in support of conservation can become non-tariff barriers
- fish and fishery products cannot be fully identified throughout the commercial distribution chain
- harm done to fishery resources from the sale of juveniles and the difficulty in controlling this market
- problems that arise from insufficient application of the Code of Conduct for Responsible Fisheries

These points are selected at random and do not reflect a priority ranking. The full text of the La Toja (A Toxa) Declaration is reproduced in Appendix 1.

7. It may also be of interest to the Sub-Committee that the Spanish intervention at the Conference identified key elements of responsible trade as follows:

- species identification and knowledge of the origin/stock of catches
- fighting trade in juveniles
- certification of adequate practices in fish processing and trade
- trade control measures

Also these points are presented as examples and they could be considered relevant for a future Fishery Commodities Development Strategy⁴ or become ingredients for the elaboration of technical material which could contribute to transparency on technical matters and support problem solving procedures in other fora, should the Sub-Committee see merit

in this.

8. In December 1997 the Commission of the European Communities issued a communication to the EC Council and the European Parliament entitled "The Future for the Market in Fisheries Products in the European Union: Responsibility, Partnership and Competitiveness"⁵. The purpose of the communication was "...to bring about a debate involving the community institutions, the Member States and the industry so that on the strength of the broadest possible consensus, guidelines can be defined that will best ensure optimum operation of the Community market in fisheries products". At the time of writing the debate has not come to an end and it would therefore not be appropriate to summarize or comment on a document which has a transitional nature. Nevertheless, the Sub-Committee may wish to take note of the objectives defined in the document which cover:

- a) Responsible fishing and trading
- b) Greater involvement of operators in the management of the market
- c) Encouraging competitiveness among Community producers
- d) Promoting market transparency and integration through co-operation between the various parts of the industry
- e) Keeping the market open to international trade in a context of fair competition
- f) Promoting quality in the field of fisheries products.

9. The Marine Stewardship Council (MSC) was at its conceptual stage, as will be recalled, at the time of the Sub-Committee's Fifth Session in 1996. Therefore, the Secretariat was instructed to prepare a paper entitled "Initiatives of Non-Governmental Organizations Regarding Sustainable Resource Use and Environmental Protection in Fisheries" for the information of the Committee on Fisheries. Many interventions during the discussion on the Report of the Sub-Committee's Fifth Session referred to the subject, but no consensus of opinion of the Committee emerged. A proposal for FAO to prepare for an informal discussion on issues related to eco-labelling of fishery products was discussed at length. Despite the support by a number of countries, no consensus was reached.

10. At the time of writing the structure of the MSC is nearing completion. The initial "Shadow Board" is being replaced by a Board of 8 to 10 members appointed in their personal capacity. The Chairman of the MSC was appointed in February 1998 and the Consultative Forum (of 30 or more stakeholders) is being established. There are national and regional working groups, and a variety of committees and working parties more of which are expected. The secretariat is located at the MSC global headquarters which is currently in London, UK.

11. The certification will be awarded subject to an assessment carried out by independent certification bodies accredited by the MSC. The first accreditations and certifications are

expected for the second semester of 1998. The assessment is to ensure that the MSC's Principles and Criteria for sustainable fishing are applied in a given fishery. These Principles and Criteria and the MSC certification methodology which certification bodies will apply in the certification process are ready to be used.

AQUATIC PRODUCTS IN CITES

12. Information about the listing of aquatic species in the Appendices of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) is provided in document COFI:FT/VI/98/Inf.6. It will be noted that the 10th Meeting of the Conference of the Parties (Harare, Zimbabwe, 9-20 June 1997) decided to list all sturgeon species in Appendix 2 of the Convention. The major consequence of this decision is the regulation of international trade in caviar. The relevant provisions entered into force on 1 April 1998. In March 1998, CITES issued a Notification of Parties with regard to caviar trade.

13. The work carried out by FAO pursuant to CITES Resolution Conf.9.17 concerning the biological and trade status of sharks is in progress.⁶ The following steps are envisaged:

- April 1998: Meeting of a Technical Working Group on Sharks in Tokyo, Japan
- October 1998: Endorsement of a Draft Plan of Action for the conservation and management of sharks
- February 1999: Discussion and endorsement of the Plan of Action by COFI.

The 11th Meeting of the Conference of the Parties, which is expected to discuss the outcome of this work is scheduled to be held in Indonesia towards the end of 1999.

14. The proposal to establish a Marine Species Working Group in CITES generated a lot of discussions at the 10th Meeting of the Conference of the Parties. Despite several amendments the proposal did not get the majority required for approval.

15. Since the subject matter is very important for FAO as the international organization "responsible for collecting data, formulating research needs and recommending management options" and the potential it has for the future of international trade in fishery products, the Sub-Committee may wish to consider possible links through e.g. provisions of information supporting the decision making process in CITES or the elaboration of technical criteria and sustainability indicators. All pertinent decisions, however, would have to be made by COFI. In this context the Sub-Committee may be interested to note that the FAO Secretariat has developed a project for the establishment of FIGIS (Fisheries Global Information System) with extra-budgetary support. FIGIS will initially concentrate on information and analysis of the biological status of aquatic resources. It is expected to be complemented with pertinent trade information such as products, prices, market trends, countries of origin and destination. In order to cover all requirements sufficiently well, it may be necessary to expand coverage and depth of FAO's GLOBEFISH database.

SUGGESTED ACTION BY THE SUB-COMMITTEE

16. The Sub-Committee is invited to consider the various issues involved in relation to the

status of fisheries resource exploitation under a more general focus of international trade, environment and sustainable fisheries development.

It is requested to pay particular attention to the following aspects:

- a) WFS Plan of Action;
- b) FAO technical assistance and the Uruguay Round Agreements;
- c) Fisheries management and trade and international development in these matters;
- d) Aquatic products in CITES.

APPENDIX 1

DECLARATION OF THE III CONFERENCE OF MINISTERS OF FISHERIES LA TOJA (A Toxa) 1997

The Ministers of Fisheries and Heads of Delegations, meeting in La Toja (A Toxa) in the III Conference of Ministers of Fisheries,

Aware of the scarcity of fish resources in many regions of the world, fishing overcapacity and the absence of adequate controls, which may endanger future fisheries resources and economic benefits,

Convinced that international cooperation will improve the situation of fisheries resources in such a way as to aid the nutritional well-being of humanity, and contribute to world food security,

Conscious of the new trade framework emerging from the GATT Uruguay Round and the establishment of the World Trade Organization,

Noting that the development of developing nations, where are located a large proportion of fisheries resources, depends on access to markets for their fisheries products now and in the future,

Considering that the conservation measures of the fisheries resources should be based on the best scientific information available,

Stressing the relevance of the Code of Conduct for Responsible Fisheries adopted within the framework of the FAO and its provisions dealing with Responsible Trade and the CODEX

Alimentarius Mundi,

Taking into account the Declaration of the International Conference on the Sustainable Contribution of Fisheries to Food Security in Kyoto, Japan, 1995, concerning the responsible utilisation of fish caught in accordance with a policy of sustainable development of fisheries and aquaculture, and acknowledging that our generation is responsible for the needs of future generations,

Aware that trade must be based on the principles, rights and obligations established by the World Trade Organization,

Aware of the increasing importance of international trade in the fisheries sector,

Noting that some problems are caused by the lack of complementarity between trade regulations and conservation regulations,

Concerned that trade regulations adopted in support of conservation can become non-tariff barriers negatively affecting trade,

Concerned that fish and fisheries products cannot be fully identified throughout the commercial distribution chain

Concerned about the harm to fisheries resources from the sale of juveniles and the difficulty in controlling this market,

Noting that consumers demand better information on and greater respect for conservation and sustainable management of natural resources,

Concerned about the lack of coherence, at a regional level, of conservation measures, which hinders their effective control,

Concerned about problems that arise from the insufficient application of the Code of Conduct for Responsible Fisheries,

Concerned about the increasing numbers of vessels flying flags of convenience that do not comply with conservation measures of the resources,

Aware that these problems undermine the application of conservation measures to fisheries resources,

Invite the International Organizations and the entire International Community with competence in fisheries and trade, to search for effective solutions to these problems, and apply them as soon as possible, with the object of defining responsible trade in a manner which complements and promotes responsible fisheries.

- 1 Document COFI:FT/V/96/4 considered at the Sub-Committee's Fifth Session. Since the Fifth Session of Sub-Committee FAO has published several reports which contain pertinent numerical information and analysis, e.g. R.J. Grainger and S.M. Garcia, "Chronicles of marine fishery landings (1950-1994): trend analysis and fisheries potential" (FAO Fisheries Technical Paper no. 359, Rome, FAO, 1996), 51p. In addition, FAO has continued to publish the series "Review of the State of World Fisheries" (FAO Fisheries Circular No. 920) , "Inland Fisheries" (FAO Fisheries Circular No. 885), and "Review of the State of World Aquaculture" (FAO Fisheries Circular No. 886, Rev. 1.)
- 2 Paragraph 16 of the Report of the Fifth Session.
- 3 The results of the symposium are available in Pacific Economic Cooperation Council (PECC) Task Force on Fisheries Development and Cooperation, *Report of Proceedings of the Symposium on the "Interrelationship between Fisheries Management Practices and International Trade"*, Wellington, New Zealand, 24-26 November 1996.
- 4 See Appendix 2 of COFI:FT/VI/98/8.
- 5 Document COM (97)719 final.
- 6 Paragraph 7 of COFI:FT/V/96/5.