



Plenary sitting

A9-0068/2023

22.3.2023

RECOMMENDATION

on the draft Council decision on the conclusion, on behalf of the European Union, of the Protocol amending the Marrakesh Agreement establishing the World Trade Organisation, as regards the Agreement on fisheries subsidies (14557/2022) – C9-0404/2022 – 2022/0364(NLE))

Committee on International Trade

Rapporteur: Bernd Lange

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the draft Council decision on the conclusion, on behalf of the European Union, of the Protocol amending the Marrakesh Agreement establishing the World Trade Organisation, as regards the Agreement on fisheries subsidies (14557/2022) – C9-0404/2022 – 2022/0364(NLE))

(Consent)

The European Parliament,

- having regard to the draft Council decision (14557/2022),
 - having regard to the draft Protocol amending the Marrakesh Agreement establishing the World Trade Organization, Agreement on Fisheries Subsidies (14558/2022),
 - having regard to the request for consent submitted by the Council in accordance with Article 207(4), first subparagraph and Article 218(6), second subparagraph, point (a)(v), of the Treaty on the Functioning of the European Union (C9-0404/2022),
 - having regard to Rule 105(1) and (4), and Rule 114(7) of its Rules of Procedure,
 - having regard to the letter from the Committee on Fisheries,
 - having regard to the recommendation of the Committee on International Trade (A9-0068/2023),
1. Gives its consent to the conclusion of the Protocol;
 2. Instructs its President to forward its position to the Council, the Commission and the governments and parliaments of the Member States and to the World Trade Organization.

EXPLANTORY STATEMENT

After more than two decades of negotiations, members of the World Trade Organization (WTO) concluded the Agreement on Fisheries Subsidies at the 12th WTO Ministerial Conference in June 2022. This new treaty establishes for the first time a binding set of global rules to curb the harmful subsidies provided by governments to the fishing sector, which are a key factor in the widespread depletion of the world's fish stocks. 35% of all fish stocks are considered to be overfished.¹ The Agreement takes the form of a protocol to the Marrakesh Agreement Establishing the World Trade Organization, by inserting the Agreement on Fisheries Subsidies into the Marrakech Agreement after the Agreement on Subsidies and Countervailing Measures.

The WTO Agreement on Fisheries Subsidies is the first ever multilateral trade agreement with environmental sustainability at its core, and only the second multilateral agreement reached at the WTO since its inception, following the Trade Facilitation Agreement concluded in 2013.

It is also the first UN Sustainable Development Goal (SDG) target to be fully met through a multilateral agreement. The SDG Target 14.6 sets out the aim to prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, and eliminate subsidies that contribute to illegal, unregulated and unreported 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.

The Agreement on Fisheries contains therefore several important disciplines, including prohibitions on granting or maintaining fisheries subsidies to:

- Vessels or operators engaged in illegal, unreported, and unregulated (IUU) fishing or fishing related activities in support of IUU fishing;
- Fishing or fishing related activities regarding stocks that are overfished; and
- Fishing or fishing related activities on the unregulated high seas.

The global value of IUU fishing is estimated at 10-20 billion euros per year. Between 11 and 26 million tonnes of fish are caught illegally every year, corresponding to at least 15% of world catches.²

In addition to disciplines on these types of harmful fisheries subsidies, the Agreement includes robust transparency requirements aimed at strengthening WTO Members' notifications of fisheries subsidies and enabling effective surveillance of the implementation of the obligations in the Agreement.

The Fisheries Subsidies Agreement also requires WTO Members to take special care and

¹ [The FAO SOFIA 2022 report](#)

² <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0004570>

exercise due restraint when granting subsidies to fishing vessels that are not flying that Member's flag, as the practice of vessels flying flags of convenience has been linked to enabling illegal activity, including the use of forced labour. A similar provision requires Members to take special care and exercise due restraint when granting subsidies to fishing or fishing related activities regarding unassessed fish stocks, which can be particularly harmful and may lead to overfishing.

Special and differential treatment has also been incorporated in the agreement. For the prohibitions on subsidies contributing to IUU fishing as well as subsidies regarding overfished stocks, special arrangements are made for LDC and developing Members.

No agreement on disciplines for subsidies contributing to overfishing

However, despite advanced negotiations, it was at last minute not possible to reach an agreement on additional disciplines on fisheries subsidies that contribute to overcapacity and overfishing. Your Rapporteur deeply deplores that these provisions were not included already at this stage, and encourages WTO Members to speed up their negotiations to conclude also this part, as a crucial step to achieving ocean sustainability. In doing so, a sufficient amount of flexibility in the form of Special and Differential Treatment should be granted to developing countries, while making sure that the agreement remains robust and is not hollowed-out by carve-outs. The current agreement will in fact lapse, if more comprehensive disciplines are not adopted within four years after it has entered into force.

Funding Mechanism

The Agreement also contains the Fisheries Funding Mechanism, to provide developing and least developed country (LDC) members with targeted technical assistance and capacity building for the purpose of implementing the disciplines under the Agreement. It will accept voluntary contributions and be administered by the WTO in cooperation with other international organisations. The Rapporteur sees this as an important part of ensuring the implementation of the agreement, and welcomes that the European Commission has already pledged EUR 1million to the fund and encourages member states to contribute as well.

Entry into force

The Fisheries Subsidies Agreement will enter into force when it has been accepted by two-thirds of WTO Members. It is therefore of utmost importance for all Members to speed up the ratification process, in order for the agreement to enter into force as soon as possible.

15.3.2023

LETTER FROM THE COMMITTEE ON FISHERIES

Mr Bernd Lange
Chair
Committee on International Trade
BRUSSELS

Subject: on the conclusion, on behalf of the European Union, of the Protocol Amending the Marrakesh Agreement Establishing the World Trade Organization (2022/0364(NLE))

Dear Sir,

Please find enclosed a position adopted by written procedure on 14 March 2023 by the Coordinators of the Committee on Fisheries on the aforementioned proposal for a Council decision.

I trust that the INTA Committee will, as far as possible, take our position into account in its upcoming recommendation.

Yours sincerely,

Pierre Karleskind

SUGGESTIONS

In view of the preparation of the recommendation by the Committee on International Trade (INTA) on the *Proposal for a Council Decision on the conclusion, on behalf of the European Union, of the Protocol Amending the Marrakesh Agreement Establishing the World Trade Organization*, (2022/0364 (NLE)), the Committee on Fisheries adopted on 14 March 2023, by written procedure, the following position:

- A. Whereas WTO negotiations on fisheries subsidies were launched in 2001 at the Doha Ministerial Conference (MC4), with a mandate to “clarify and improve” existing WTO disciplines on fisheries subsidies, a mandate later elaborated during the 2005 Hong Kong Conference to include a call for prohibiting certain forms of fisheries subsidies that contribute to overcapacity in fisheries and overfishing¹;
- B. whereas the United Nations fifth “Global Biodiversity Outlook,” released in September 2020, noted that over 34% of the world’s marine fish stocks are being fished beyond their biologically sustainable limits, continuing a trend that has soared from just 10% in 1974;
- C. Whereas a 2017 World Bank report entitled ‘The Sunken Billions Revisited’ estimated economic losses from overfishing at US\$83 billion;
- D. Whereas a 2018 study² estimated global fisheries subsidies at US\$35.4 billion in 2018, of which capacity-enhancing subsidies totalled US\$22.2 billion; whereas the top five subsidising political entities (China, the EU, the United States (US), the Republic of Korea and Japan) represent 58 % of the total;
- E. Whereas the Sustainable Development Goal (SDG) 14.6 target³ is the prohibition of certain forms of fisheries subsidies by 2020 which contribute to overcapacity and overfishing and eliminate subsidies that contribute to illegal, unreported and unregulated (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; whereas China should not be considered as developing or least developed country;
1. Welcomes, in general, that a global consensus was reached regarding the Agreement on Fisheries Subsidies (“the Agreement”) through amending the Marrakesh Agreement establishing the World Trade Organisation;
 2. Highlights the importance of global rules in order to ensure a level playing field for EU fishers and to strengthen the global fight against IUU fishing;

¹ https://www.wto.org/english/tratop_e/rulesneg_e/fish_e/fish_e.htm

² <https://www.sciencedirect.com/science/article/pii/S0308597X19303677>

³ <https://unstats.un.org/sdgs/metadata/?Text=&Goal=14&Target=14.6>

3. Stresses the importance of ensuring competitiveness of the EU sector vis-à-vis third country operators and highlights the importance of EU efforts enshrined in EU Sustainable Fisheries Partnership Agreements and the new European Maritime, Fisheries, and Aquaculture Fund (EMFAF) in this regard;
4. Welcomes that the Agreement prohibits granting or maintaining subsidies to vessels operators engaged in IUU fishing or fishing related activities in support of IUU fishing;
5. Welcomes that the Agreement prohibits granting or maintaining subsidies for fishing or fishing related activities outside of the jurisdiction of a coastal Member or a coastal non-Member and outside the competence of a relevant regional fisheries management organisation;
6. Points out that the Agreement was supposed to establish a binding framework that drives the phase-out of harmful subsidies by all WTO members and delivers on SDG 14.6;
7. Stresses that SDGs must be the baseline for the Union approach in relation to harmful subsidies in the fisheries sector;
8. Points out that the EU fleet in this regard already comply with high social, environmental and sanitary standards;
9. Underlines the key importance of data production and data analysis capacities as regards reporting and notification requirements, underpinning foreseen WTO fisheries subsidies disciplines and related flexibilities, as well as for demonstrations by subsidising Members, so that accompanying fisheries management measures are implemented and are effective to maintain stocks in the relevant fisheries above biologically sustainable levels;
10. Urges in this respect also the importance to close any gaps in data, both environmental and economic, that are necessary to ensure the monitoring and full and correct implementation of the Agreement;
11. Sees this Agreement as an important step, however expresses concerns for its implementation especially in relation to transparent reporting and data sharing by global fisheries nations, such as China, South Korea, Taiwan and Turkey;
12. Calls on the Commission, in line with the EU's zero IUU fishing policy, to ensure transparency and full implementation of the ambition;
13. Highlights that in relation to transparency on fisheries subsidies and IUU fishing more efforts on the global level might be needed;
14. Underlines the need to rely on the best scientific evidence in order to determine whether a fish stock is overfished or subject to overfishing or that accompanying

management measures are effective to maintain stocks in the relevant fisheries above biologically sustainable levels; point out in that respect that the WTO is not a body that is suited to make such determinations; underlines therefore the need of relying on other mechanisms foreseen in international instruments, like the *United Nations Convention on the Law of the Sea* (UNCLOS) and the UN Fish Stocks Agreement; emphasises in this regard the crucial role of Regional Fisheries Management Organisations (RFMO);

15. Urges the EU to advocate for a prompt resumption of the negotiations in WTO to review the provisions and rules of this Agreement ahead of the upcoming WTO Ministerial Conference and align them with the SDGs;
16. Invites the Committee on International Trade to recommend approval of the Agreement.

PROCEDURE – COMMITTEE RESPONSIBLE

Title	Protocol Amending the Marrakesh Agreement Establishing the World Trade Organization	
References	14557/2022 – C9-0404/2022 – 2022/0364(NLE)	
Date of consultation or request for consent	5.12.2022	
Committee responsible Date announced in plenary	INTA 12.12.2022	
Committees asked for opinions Date announced in plenary	DEVE 12.12.2022	PECH 12.12.2022
Not delivering opinions Date of decision	DEVE 30.11.2022	
Rapporteurs Date appointed	Bernd Lange 30.11.2022	
Discussed in committee	1.3.2023	
Date adopted	21.3.2023	
Result of final vote	+: 33 -: 0 0: 2	
Members present for the final vote	Anna-Michelle Asimakopoulou, Tiziana Beghin, Geert Bourgeois, Jordi Cañas, Daniel Caspary, Arnaud Danjean, Paolo De Castro, Markéta Gregorová, Roman Haider, Christophe Hansen, Heidi Hautala, Danuta Maria Hübner, Danilo Oscar Lancini, Bernd Lange, Margarida Marques, Gabriel Mato, Emmanuel Maurel, Alessandra Mussolini, Samira Rafaela, Catharina Rinzema, Inma Rodríguez-Piñero, Katarína Roth Neved'alová, Ernő Schaller-Baross, Sven Simon, Dominik Tarczyński, Mihai Tudose, Kathleen Van Brempt, Marie-Pierre Vedrenne, Jörgen Warborn, Iuliu Winkler, Jan Zahradil	
Substitutes present for the final vote	Marek Belka, Jérémy Decerle, Seán Kelly, Javier Moreno Sánchez	
Date tabled	22.3.2023	

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

33	+
ECR	Geert Bourgeois, Dominik Tarczyński, Jan Zahradil
ID	Roman Haider
NI	Tiziana Beghin, Ernő Schaller-Baross
PPE	Anna-Michelle Asimakopoulou, Daniel Caspary, Arnaud Danjean, Christophe Hansen, Danuta Maria Hübner, Seán Kelly, Gabriel Mato, Alessandra Mussolini, Sven Simon, Jörgen Warborn, Iuliu Winkler
Renew	Jordi Cañas, Jérémy Decerle, Samira Rafaela, Catharina Rinzema, Marie-Pierre Vedrenne
S&D	Marek Belka, Paolo De Castro, Bernd Lange, Margarida Marques, Javier Moreno Sánchez, Inma Rodríguez-Piñero, Katarína Roth Nevedálová, Mihai Tudose, Kathleen Van Brempt
Verts/ALE	Markéta Gregorová, Heidi Hautala

0	-

2	0
ID	Danilo Oscar Lancini
The Left	Emmanuel Maurel

Key to symbols:

+ : in favour

- : against

0 : abstention