

THE PEW CHARITABLE TRUSTS

Wednesday, October 20, 2021

ECLAC Virtual Meeting on Fisheries Subsidies

# How a fisheries subsidies agreement could address the negative impact of distant-water fishing (DWF) in Latin America and the Caribbean

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Ending Harmful Fisheries Subsidies  
The Pew Charitable Trusts

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# Disciplining subsidized DWF is a regional priority

LAT-6\*: “[We reiterate]...the particular need to eliminate subsidies to large fleets operating on the high seas, and especially in distant waters...”

- H.E. Mr. Felipe Solá, Minister for Foreign Affairs, International Trade and Worship of Argentina, July 15, 2021

<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/TN/C/M41.pdf&Open=True>

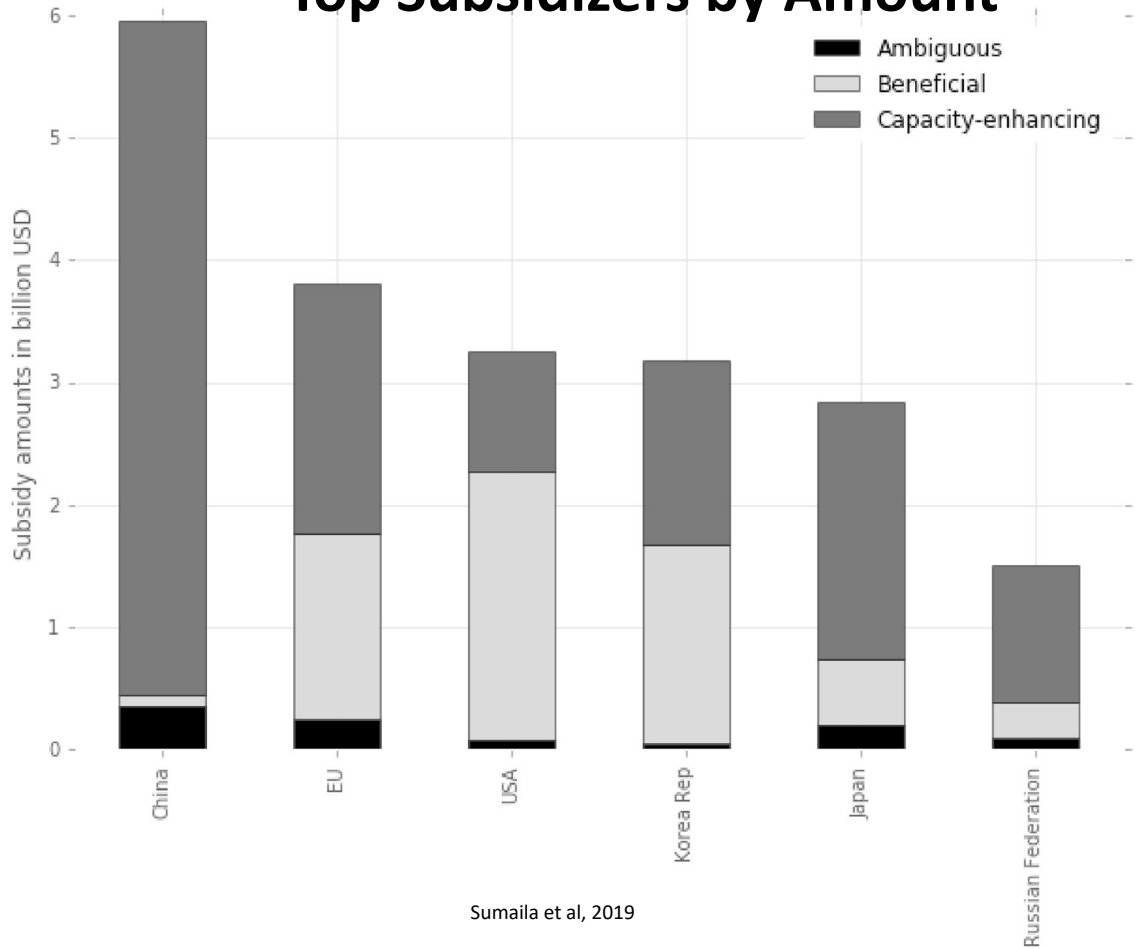
\*LAT-6 = Argentina, Colombia, Costa Rica, Panama, Peru and Uruguay

# Connecting DWF effort, harmful subsidies and the WTO

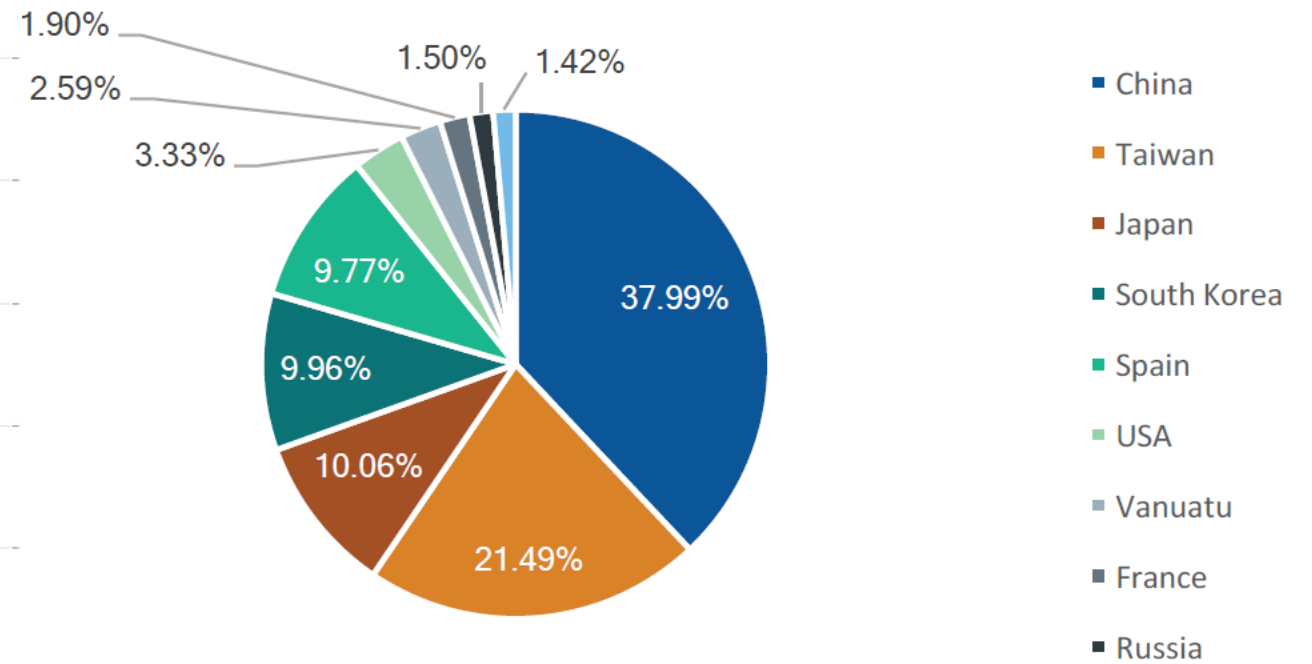
- The largest harmful subsidizers are the biggest DWF nations
- Harmful subsidies contribute to overfishing, overcapacity, IUU and DWF
- Heavily subsidized foreign vessels compete with domestic effort on high seas and in EEZs
- Eliminating subsidies to distant-water fishing impacting high seas and foreign EEZs is critical for the region's competitiveness → WTO deal could accomplish this

# Biggest subsidizers are largest DWF nations

## Top Subsidizers by Amount



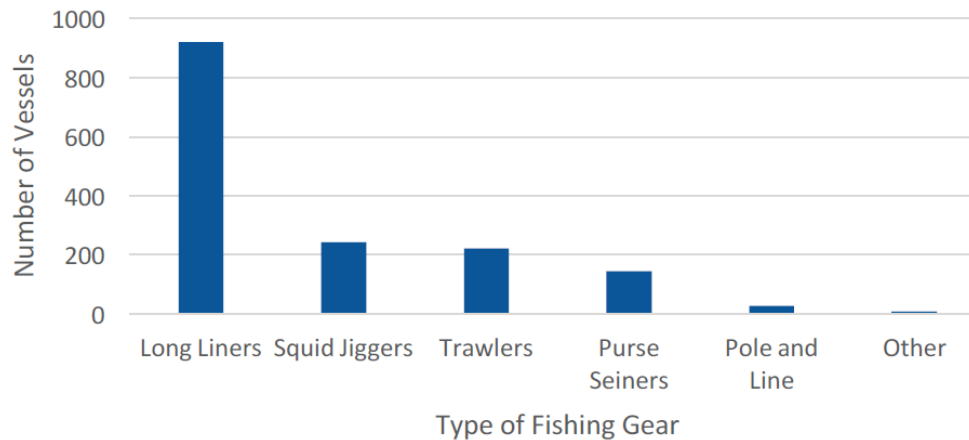
## Top DWF Fleets by Effort



Based on AIS Data from Global Fishing Watch, 2016-2017 – Stimson Center

# Majority DWF fleet gear type are long liners

## Aggregate of Top 5 DWF Fleets' Gear Type



Stimson Center data from 2016 to 2017

## Potential Concerns Associated with Long Liners\*

1. Often rely on carrier vessels, refueling and transshipment
2. Disproportional amount of bycatch
3. Limited observer coverage – roughly 5%
4. Tend to be linked to forced labor

\*not all long liners are automatically assumed to be harmful or engaged in unsustainable fishing activity

54% of high seas fishing unprofitable without harmful subsidies

# HIGH SEAS, LOW PROFITS

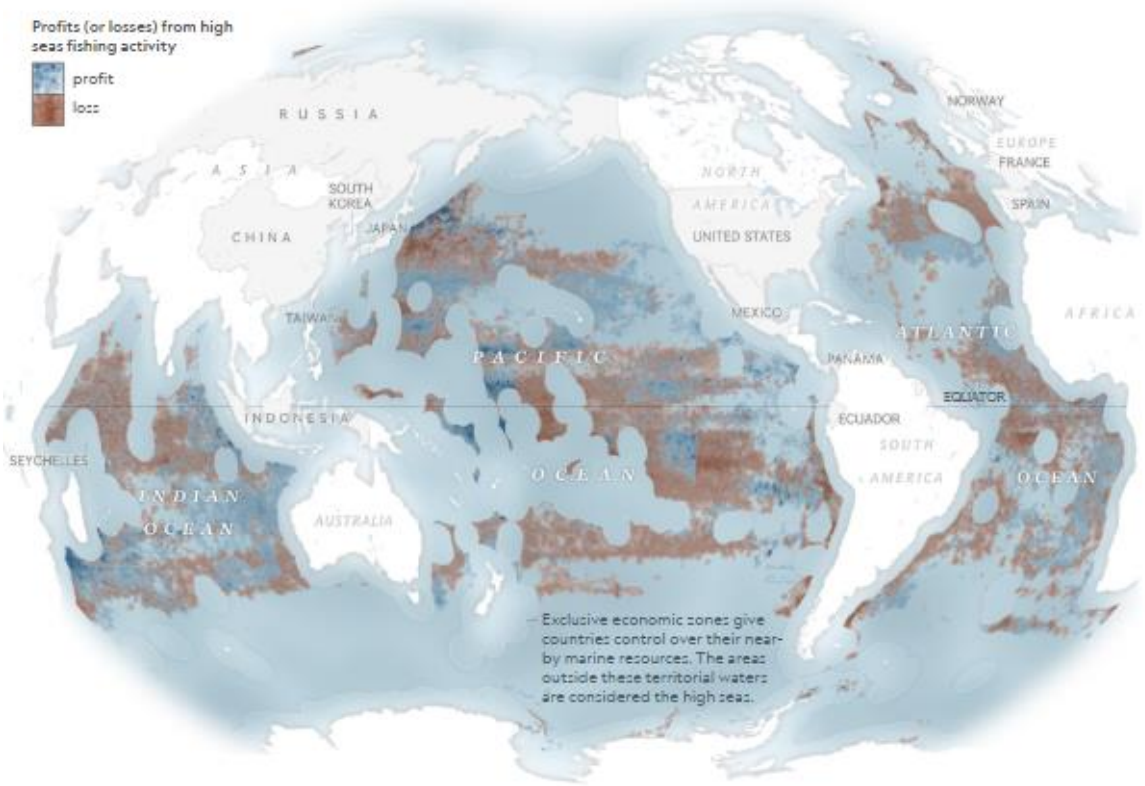
When it comes to fishing outside any country's jurisdiction (the high seas), a large haul doesn't necessarily correlate with huge profits. Without large government subsidies, some of the world's most aggressive fishers come up short on cash.

Global high seas fishing, 2014

Profits	\$1.4 billion USD
Subsidies	\$4.2 billion USD

Profits (or losses) from high seas fishing activity

profit  
loss

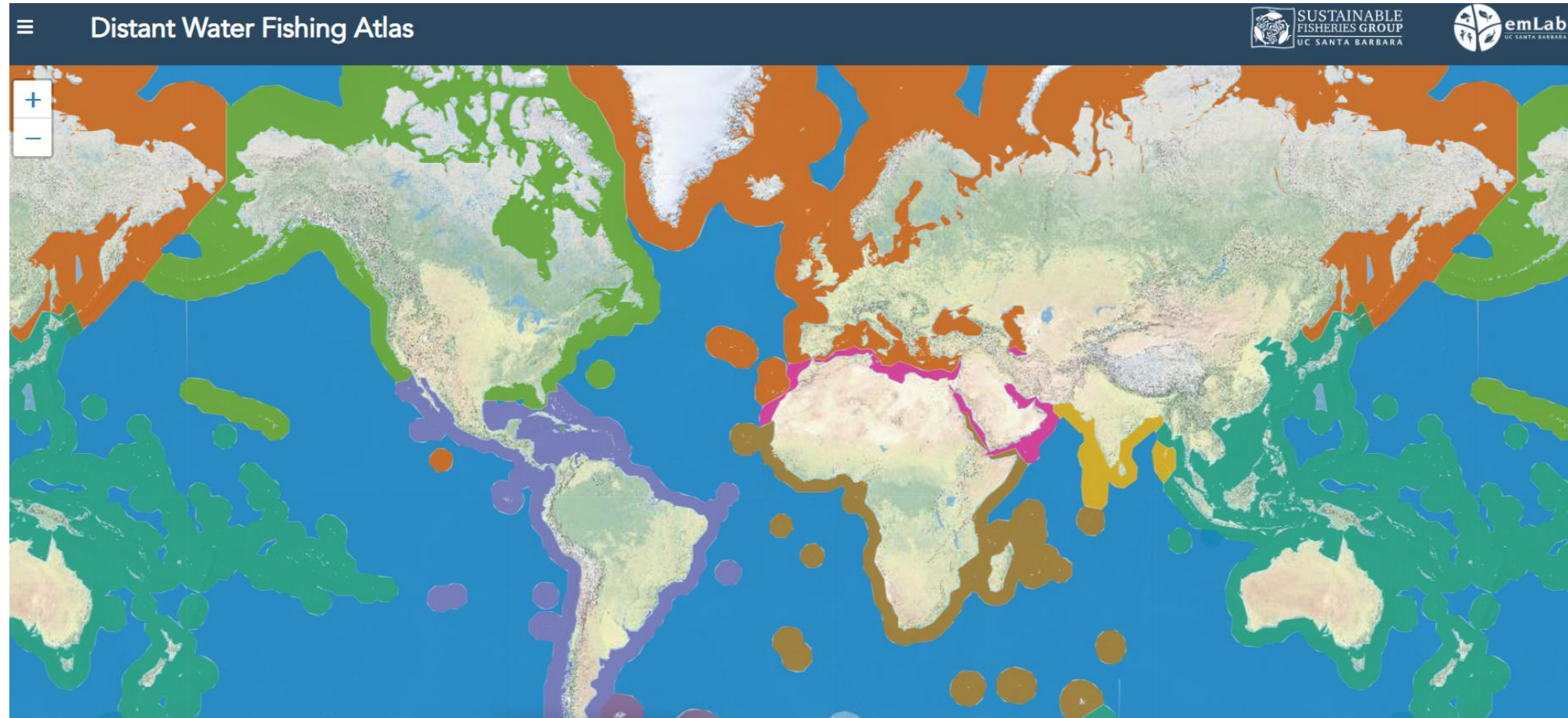


Many of the places with the largest catches depend on subsidies and low labor costs to avoid losing money.



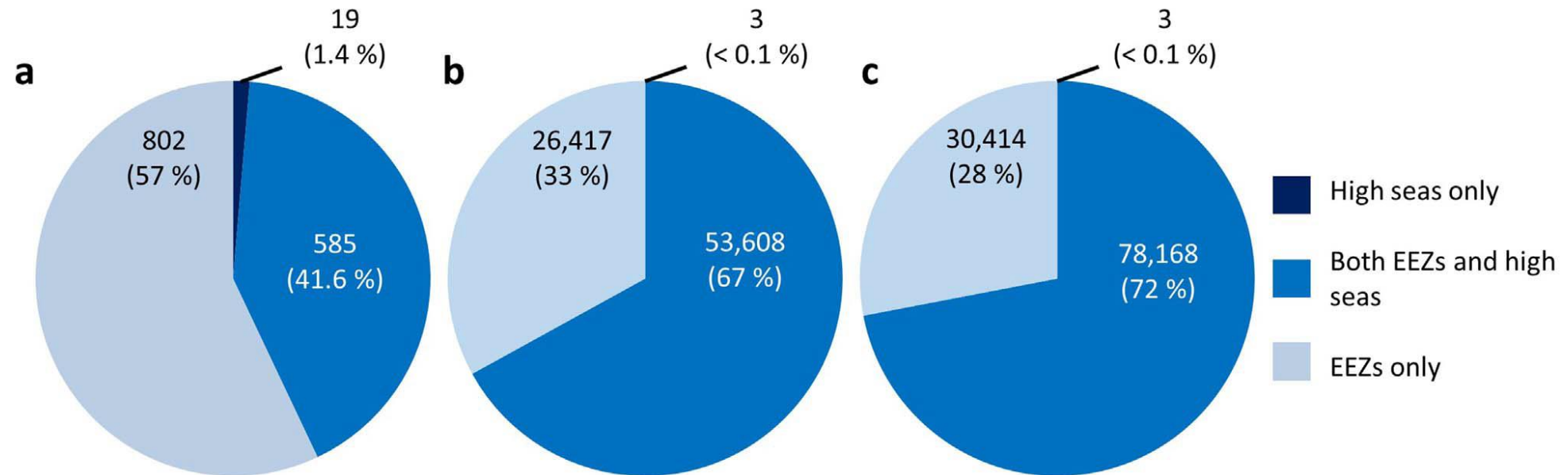
SOREN WALLJASPER, NG STAFF  
SOURCE: JUAN MAYORGA, ENRIC SALA, AND OTHERS, "THE ECONOMICS OF FISHING THE HIGH SEAS," SCIENCE ADVANCES, 2018

# Visualizing DWF effort and subsidies



[www.dwfsubsidyatlas.org](http://www.dwfsubsidyatlas.org)

# Majority of catch taken from EEZs, or in combination with high seas

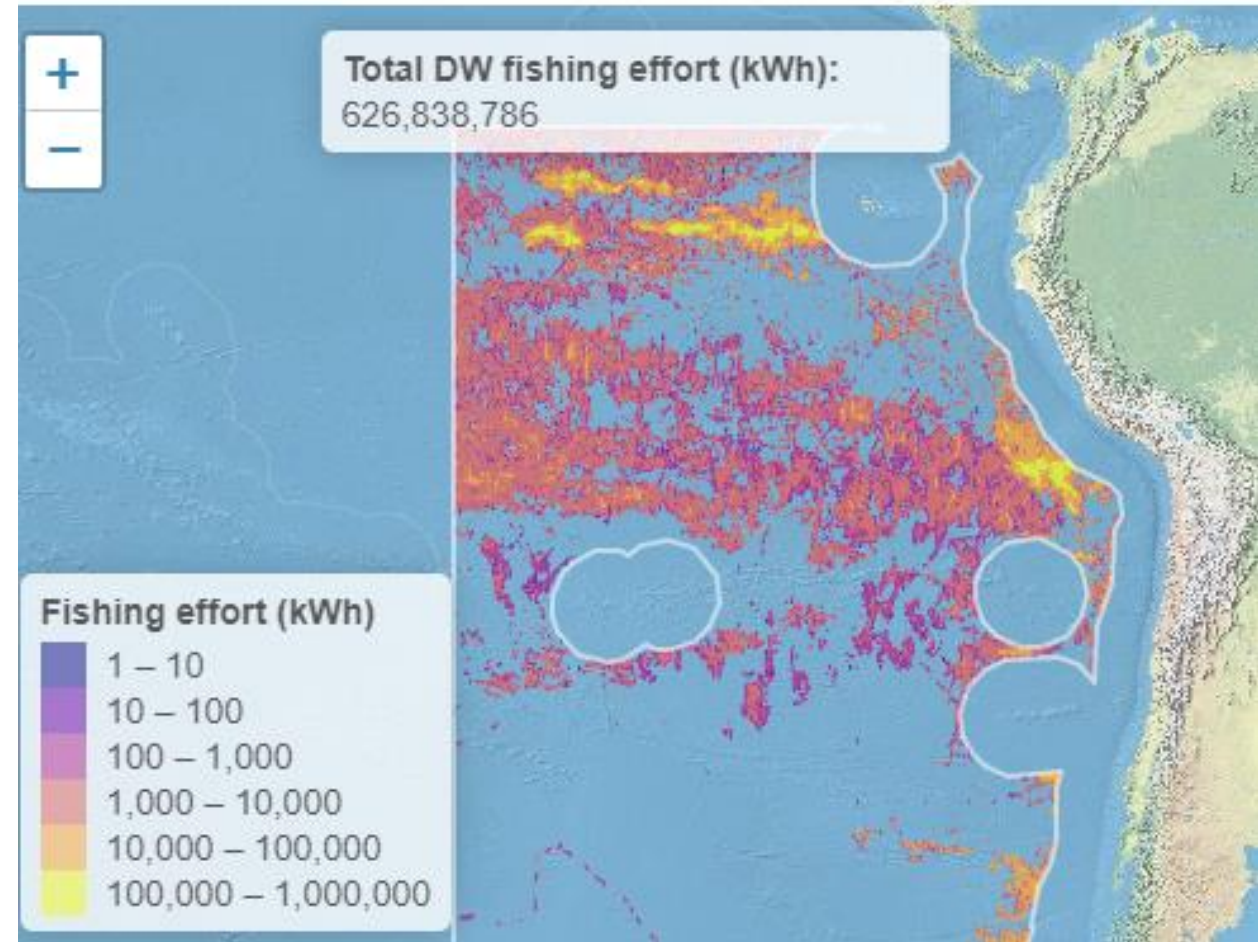


Roughly **1%** of catch is taken from the high seas only, remaining comes from both high seas and EEZs, or EEZs only



# FAO High Seas Area 87: Southeastern Pacific Ocean

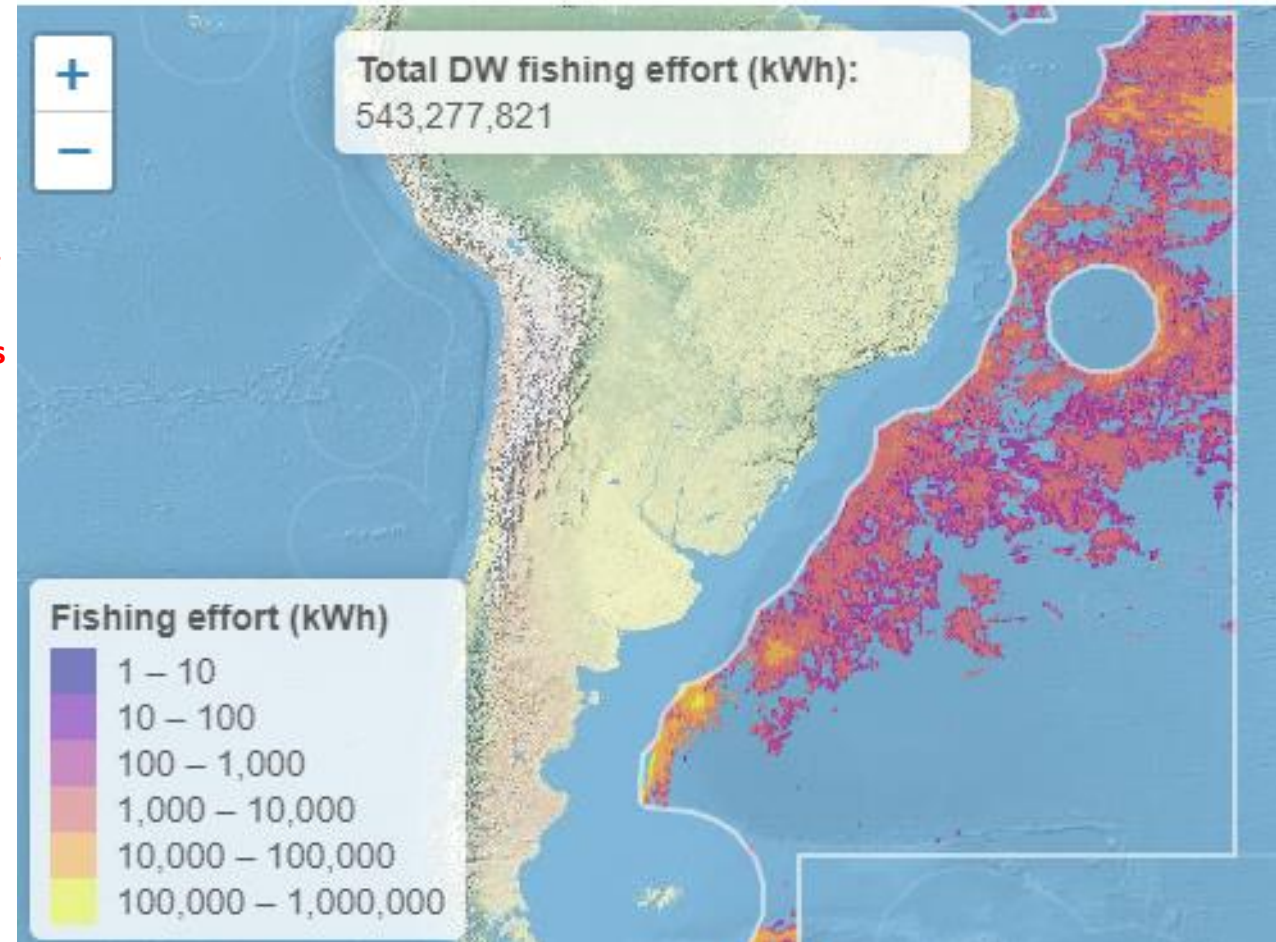
Flag State	# DW Vessels	Effort (hours)	Effort (kW hours)	Subsidies (2018 \$US)	%	
China	<b>93.5% of all DWF subsidies</b>	399	523,768	471,041,706	511,419,866	81.1
Japan		26	41,731	31,073,276	43,074,573	6.8
Spain		18	37,690	19,849,819	18,683,676	3.0
South Korea		17	7,324	11,893,272	16,399,962	2.6
Lithuania	1	2,515	24,865,332	8,453,278	1.3	
Mexico	12	1,396	4,013,249	7,537,979	1.2	
Chinese Taipei	23	20,437	17,402,645	5,166,149	0.8	
Venezuela	7	806	1,714,346	4,811,185	0.8	
Ecuador	19	6,778	10,216,988	4,378,768	0.7	
Colombia	10	10,793	25,782,721	3,584,535	0.6	
Panama	8	758	1,625,345	2,759,452	0.4	
Costa Rica	1	132	265,723	2,131,620	0.3	
Peru	3	156	210,597	767,182	0.1	
Others	26	8,622	6,883,769	1,379,884	0.2	
<b>Total</b>	<b>570</b>	<b>662,906</b>	<b>626,838,788</b>	<b>630,548,109</b>	<b>100.0</b>	



# FAO High Seas Area 41: Southwestern Atlantic Ocean

Flag state	# DW vessels	Effort (hours)	Effort (kW hours)	Subsidies (2018 \$US)	%
China	283	215,736	294,854,529	320,129,751	62.1
South Korea	33	37,687	51,786,360	71,409,642	13.8
Spain	55	73,080	58,226,378	54,805,678	10.6
Chinese Taipei	111	87,094	83,970,816	24,927,574	4.8
Brazil	12	11,736	4,912,553	15,739,552	3.1
Chile	4	3,055	5,226,690	7,497,516	1.5
Argentina	26	513	813,003	375,344	0.1
Others	53	36,361	43,487,489	20,893,914	4.1
<b>Total</b>	<b>577</b>	<b>465,262</b>	<b>543,277,818</b>	<b>515,778,971</b>	<b>100</b>

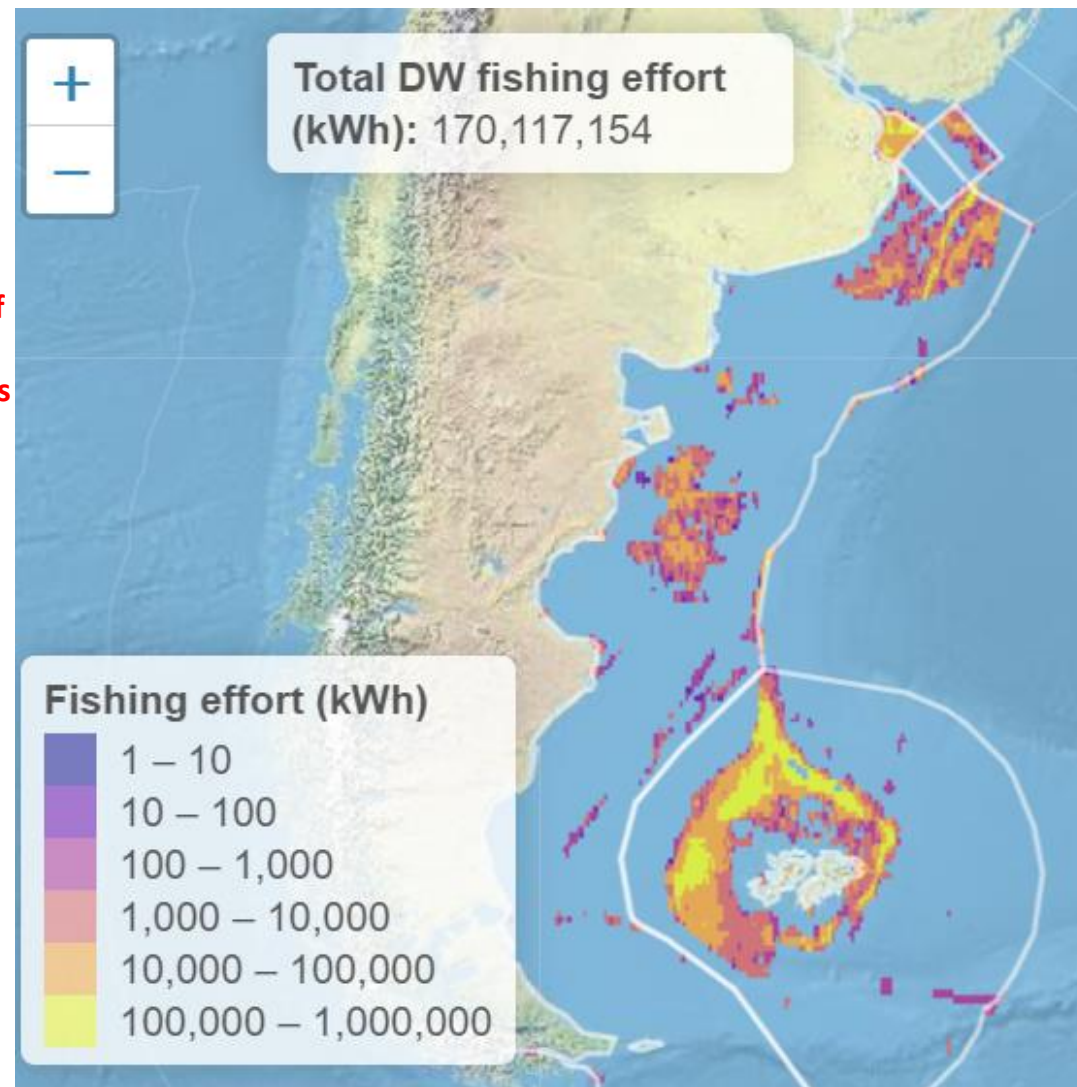
91.3% of all DWF subsidies



# Argentinian EEZ

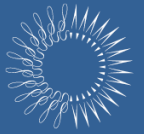
Flag state	# DW vessels	Effort (hours)	Effort (kW hours)	Subsidies (2018 \$US)	%
Spain	28	31,287	42,811,127	40,296,046	42.4
South Korea	32	16,815	21,506,675	29,656,148	31.2
Chinese Taipei	60	35,757	73,576,933	21,842,046	23.0
Nigeria	1	2,338	2,963,553	991,066	1.0
Russia	1	726	1,455,601	552,056	0.6
China	60	331	447,885	486,278	0.5
Others	60	37,863	27,355,380	1,200,770	1.3
<b>Total</b>	<b>242</b>	<b>125,117</b>	<b>170,117,154</b>	<b>95,024,410</b>	<b>100</b>

96.6% of  
all DWF  
subsidies



# DWF recommendations for an effective WTO fisheries subsidies agreement

- ✓ Members should ensure that harmful subsidies provided for fishing in other members' EEZs are prohibited (Art 5.2a)
- ✓ Most high seas areas are within RFMO jurisdiction – must widen prohibition to harmful subsidies for fishing in these areas (Art 5.3)
- ✓ Prohibitions of subsidies contributing to overcapacity/overfishing (Art. 5) have the greatest potential for impact, therefore the disciplines should be strong



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# Thank you!!

Questions?

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