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U.S. Calls for Support to Ban Harmful Fisheries Aid at WTO, 2007-05-01 09:32 (New York)
Bloomberg News by Warren Giles

May 1 (Bloomberg) -- The U.S. called for support at the World Trade Organization to outlaw subsidies that promote over-fishing in an effort to slow the destruction of global marine stocks, three-quarters of which are already over-exploited.

The U.S. has called for WTO rules prohibiting aid such as low-cost fuel or loan guarantees for gear or vessels that allow boats to stay at sea for longer and catch fish more easily. The Bush administration and environmental groups say such payments keep fishing enterprises in business and encourage over-fishing of fragile ocean stocks.

"The WTO faces an historic opportunity to address a problem with direct and immediate consequences not only for trade but also for the marine environment," Peter Allgeier, U.S. ambassador to the WTO told a meeting in Geneva today. "Strong action by the WTO will help control the 'race to fish' that is the core of the problem."

Global fishery subsidies of all types total as much as \$34 billion a year, with Japan and the European Union together accounting for more than one-fifth of that amount, according to a study last year by the University of British Columbia. The subsidies keep too many people in the fishing industry, which undermines efforts to conserve fish stocks, the study said.

The WTO negotiations, which are part of wider efforts to get a global accord cutting farm subsidies and import duties on machinery and to simplify customs paperwork, are the first time environmental concerns have driven trade negotiations, said Courtney Sakai, a campaign director at Washington D.C.-based Oceana, a group that lobbies for sustainable fishing practices.

'Global Armada'

Fishing subsidies "lavished on the world's fishing fleets have created a global armada that is creating havoc in our oceans," said Sakai, whose group also advises the U.S. trade representative.

The U.S. spends \$276 million a year on "ugly subsidies" or support for fuel and measures that increase a fleet's ability to catch fish, Oceana says.

In comparison, the 27-nation EU spends \$2.3 billion a year on similar support, and another \$517.6 million on support that reduces its fleet by de-commissioning older vessels or helping fishermen to retire. EU subsidies provide one-sixth of the total value of the EU catch, according to the United Nations.

Brazil, Japan and India spend \$1.35 billion, \$1.8 billion and \$2.2 billion respectively on harmful fisheries subsidies, Oceana says. Their support for the U.S. approach, together with the EU's, will be key to a WTO agreement on new disciplines.

Under the U.S. proposal, subsidies that cut the size of a fleet or encourage people to leave the industry would be allowed. "This is a solid first step, but its success depends on the definitions for the stuff left outside the ban, which should also be disciplined," said David Schorr, a senior fellow at environmental group WWF.