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WORLD INTERNATIONAL ECONOMY

US unveils Doha plan to cut fishing aid

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The US unveiled proposals on Wednesday to cut world fishing subsidies by 50 per cent, under the Doha trade talks.

Under the plans, governments would have their ability to pay for fuel, ships and fishing equipment for their country's fleets drastically curtailed. But governments would be allowed to subsidise safety improvements to boats and the removal of boats from fleets, for instance through buyback schemes.

Susan Schwab, the US trade representative, said: "The World Trade Organisation faces an historic opportunity to resolve a serious problem that distorts trade and damages the environment."

Global fisheries subsidies are between \$30bn and \$34bn per year, according to Oceana, an environmental group. The group said at least \$20bn of this were harmful subsidies that encouraged increased fishing, and meant the world's fishing fleet was more than two and a half times bigger than it should be if fish stocks were to be maintained at safe levels.

The group said the biggest sources of subsidies were Japan at \$5.3bn a year, the European Union at \$3.3bn, and China at\$3.1bn.

Subsidies are blamed for encouraging overfishing, which is the biggest cause of the worldwide depletion of fish stocks that is threatening commercial fisheries. According to the United Nations, three-quarters of the world's fisheries are either over-exploited, putting stocks in danger, or fully exploited, meaning no increase in landings should be allowed.

Last year, in one of the biggest surveys ever undertaken of the marine environment, scientists warned that commercial fisheries would collapse completely by 2048 if the current level of fishing around the world was maintained.

The US Congress also passed a resolution this week calling for an end to fisheries subsidies.

Courtney Sakai, campaign director at Oceana, said: "Eliminating overfishing subsidies is the largest single action that can be taken to protect the oceans. The international fishing fleet is so distorted by government subsidies that it is a wonder that there are any fish left at all. It's about time we cut the bait and the WTO represents the best way to do that."

She said the US proposal was the "most aggressive step yet in the negotiations towards achieving strong rules to control overfishing subsidies".

However, fisheries subsidies and limits on fishing are complex and controversial. The European Commission has put pressure on member states for years to cut the quotas of fish their fleets can catch, but so far the results have been disappointing to conservationists. In the latest round of quota cuts last year, member states agreed to cuts of 20 per cent in catches of some key fish such as cod and 15 per cent on other fish regarded as being in danger. But conservation groups said these cuts were insufficient to halt depletion of the stocks.

Some nations are particularly sensitive over their fishing heritage. Japan has tried to lift the international moratorium on whaling, and Iceland resumed commercial whaling last year, while Norway has always withstood the ban. Developing countries also tend to be more dependent on fishing than richer countries.

As a result, the US proposals are likely to face a difficult reception at the WTO.

Although scientists agree stocks have been drastically reduced, catches have held up in many fisheries because fleets are now using more effective equipment to catch fish and modern technology to find shoals.

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