Trends in Non-tariff measures & Standards for SDG 14

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Setting the scene

- SDG 14: a general overview
- Status of the fish stocks
- The rise of aquaculture
- Outcomes of the UN Oceans Conference on subsidies, non-tariff measures standards
- Possible outcomes and country proposals at WTO Eleventh Ministerial Conference (MC11)
- Regulation and standards for the advancement of SDG 14
- Trends in non-tariff measures
- Trends in seafood standards
- Key expectations and concerns regarding standards by developing country users
Conserve and sustainably use the oceans, seas and marine resources

SDG 14: Key goals & targets

Target 4. By 2020, **effectively regulate harvesting, end** overfishing, illegal, unreported and unregulated (IUU) fishing & destructive fishing practices and implement science-based **management plans**, in order to restore fish stocks (...), at least to levels that can produce MSY (...)

Target 6. By 2020, prohibit certain forms of **fisheries subsidies** (...)

Target 7. By 2030, increase the economic benefits to SDIS and LDCs from the **sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism**

Target b). **Provide access** for small-scale artisanal fishers to marine resources and markets
• Current level of wild catch = 90 million tons. if we apply good fish management policies we may arrive to 93-94 million tons by 2035 (WB, FAO, IFPRI and AES)

• We have reached the limit and recovery is too slow
The raise of Aquaculture

- The **gap in the supply over the next 15 years** of fish will be filled by aquaculture by 2030
- Importance and urgency of **global fish and sustainable aquaculture management**
- Aquaculture **business** will be located mainly in **developing countries** in Asia, Latin America, Africa & Middle East
Outcomes of the UN ocean Conference relevant to non-tariff measures and standards (Call for Action, 2017)

No direct references to standards – but regulations and standards critical for achievement
Regulations only mentioned in relation to IUU fishing and subsidies

(l) Enhance sustainable fisheries management, including (…) through the implementation of science-based management measures, monitoring, control and enforcement, supporting the consumption of fish sourced from sustainably managed fisheries (…)

(m) End destructive fishing practices and illegal, unreported and unregulated fishing

(n) Accelerate work and strengthen cooperation and coordination on the development of interoperable catch documentation schemes and traceability of fish products;

(o) Strengthen capacity-building and technical assistance provided to small-scale and artisanal fishers in developing countries, to enable and enhance their access to marine resources (…);

(p) Act decisively to prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing

(q) Support the promotion of sustainable ocean-based economies, which build on sustainable activities such as fisheries, tourism, aquaculture, maritime transportation, renewable energies, marine biotechnology and seawater desalination (…)
<table>
<thead>
<tr>
<th>Regulations (binding) + other NTMs</th>
<th>Standards (voluntary)</th>
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<tbody>
<tr>
<td>Defines policies, methods and procedures for legal and sustainable harvesting or farming</td>
<td>Seeks to respond to safety, environmental, climate change and other policy objectives and consumer priorities</td>
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<td>Define MSY and methodologies for stocks assessments</td>
<td>Harmonize product and processes specifications and data gathering for wild harvesting and fish farming</td>
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<td>Sets nature and content of national management plans (biomass or per specie)</td>
<td>Enables interoperability and allows the systematization of best practices</td>
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<td>Establish criteria for aquaculture production (sustainable or not)</td>
<td>Promotes quality, consumer protection and choice</td>
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<td>Establish sanctions for IUU fishing based on international regional commitments</td>
<td>Contributes to corporate ethical and social responsibility</td>
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<td>May prohibit certain forms of fisheries subsidies</td>
<td>Can facilitate market access, product differentiation, consumer recognition and prime price</td>
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<td>Define criteria for licenses and operations</td>
<td>It can contribute or secure traceability</td>
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<td>Define flag state and port obligations</td>
<td>They are adaptable and can respond faster to environmental and consumer choice changes</td>
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Non Tariff Measures

- 80% of all fish related NTMs are technical and phytosanitary measures

(Source: UNCTAD (2016) Trade in Sustainable Fisheries based on WTO data)

- 1,250 fish related SPS/TBT measures, growing at 11.2% since 2010
- There are 2.5 times more SPS/TBT measures in fish that in manufactures
- And they are accumulating!
- Urgent need to increase transparency, understanding, harmonization, capacity building and mutual recognition
Possible outcomes & recent proposal by WTO Members on fish subsidies (a form on NTM)

**Fish subsidies estimated between USD 20 to 35 billion...**

**Main possible outcomes at WTO MC11:**
- Option A: a minimum package prohibition subsidies to IUU fishing + Transparency
- Option B: minimum package + in build agenda to deal later with other issues
- Option C: Broad agreement on prohibitions on subsidies to IUU fishing, overfishing and overcapacity
- Option D: No outcome

### Proposals by: EU, 6-Lat, ACP, LDCs, IND, IC-NZ-PK, China and the USA

<table>
<thead>
<tr>
<th>Prohibitions on subsidies to:</th>
<th>General Exceptions;</th>
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<tbody>
<tr>
<td>- IUU fishing</td>
<td>- List of positive subsidies</td>
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<tr>
<td>- Overfishing</td>
<td>- Small scale and artisanal fisheries</td>
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<td>- Overcapacity</td>
<td>- Subsistance fisheries</td>
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<th>Stand still</th>
<th>S&amp;DT</th>
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<td>Transparency</td>
<td>- LDCs</td>
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<tr>
<td>Definitions</td>
<td>- Developing countries</td>
</tr>
<tr>
<td></td>
<td>- Format: exceptions, time, technical cooperation</td>
</tr>
</tbody>
</table>
Trends in standards & certification in seafood products

- Standards, eco-labelling and traceability systems for wild catch and cultivated (aquaculture) fish are increasingly important factors for securing market access, ensure sustainable harvesting, safety, and consumer protection.

- There are more than **50 voluntary seafood standards** in operation which are tailored to specific supply chains or regions.

- The market for certified food was estimated at USD **11.5 Billion in 2014**.

- **Rapid growth** in seafood certification:
  - Certified wild catch **79% of total certified**
  - Aquaculture **31 % but growing faster**

- They are mostly limited to a number of highly visible species consumed in developed countries such as salmon, cod, tuna, mackerel, and shrimp.

- Sustainability production methods, sometimes also included in standards clearly cover safety, traceability and environmental concerns. In some cases they consider social or gender issues.
Seafood production certified under global sustainability initiatives grew 40-fold from 2003 to 2015 and now represents more than 14 per cent of global production.

Potts, Whynch and Wilkins, UNCTAD, TER (2016)
Regional distribution of certified seafood:
3 regions concentrate 82% of all certified production
More linked to consumer demand & market than to production


Potts, Whynch and Wilkins, UNCTAD, TER (2016)
Key concerns and expectations regarding seafood standards by developing country users

Concerns about:
• No participation in standard setting schemes
• Too many standards that evolve too fast (consumer confusion)
• High cost + royalties of certification schemes
• Difficult to use by the informal sector
• Many do not consider social aspects (fair trade and labour standards)

Positive about:
• Rapid growth of sustainability markets
• Increase recognition of sustainability certification in developing countries
• Assist in securing market access
• Enables compliance with regulatory requirements

What they need?
• Guaranty of prime price
• Standards must also look at the local reality
• Technical cooperation and transfer of technology for compliance
• Facilitated procedures for polling scattered producers
• They need to differentiate between small scale and artisanal vs. industrial
Many thanks

"the only problem with nature is human nature..."

For more information, see: http://unctad.org/en/Pages/DITC/Trade-and-Environment/Oceans-Economy.aspx