



# Geneva WATCH

An overview of the bilateral, plurilateral and multilateral trade negotiations

Charles Akande, Editor

## Fisheries Subsidies: ‘Litmus Test’ for WTO Negotiating Ability

**World Trade Organization (WTO) Members are back at the negotiating table following the “Jeune genevois” break. The negotiating group on rules is among the first negotiating groups to jumpstart its work following the summer break, bringing heads of delegations to discuss how to limit harmful fisheries subsidies on September 17<sup>th</sup>.**

There was strong support from virtually all Members to advance the talks in this area. The main players, including the China, the EU, India, and the U.S. voiced their support for a work programme that includes brainstorming sessions and text-based discussions.

At the 11<sup>th</sup> Ministerial Conference in Buenos Aires last December, Members agreed to discipline fisheries subsidies that contribute to overcapacity and overfishing, as well as to eliminate subsidies that contribute to illegal, unreported, and unregulated (IUU) fishing by the next Ministerial Conference in 2019, which is now due to take place in Kazakhstan in June 2020.

The chair of the Negotiating Group on Rules, Mexican Ambassador, Roberto Zapata Barradas, suggested that “incubator groups” composed of key Members should brainstorm potential solutions to sticking points that will later be considered by various configurations of meetings involving the full Membership.

The U.S. provided its blessing to the process, saying that it stands ready to participate in the negotiations, including in the new “incubator groups” which are complementary to the text-based negotiations where new ideas are tested.

The U.S. considered fisheries subsidies talks as the only active multilateral negotiation taking place at the

WTO at the moment, saying that it represents not only a test case for the negotiating function of the organization, but can also help shifting “the discourse on the fundamental issues facing the organization.”

Discussions there would only provide meaningful outcomes if all the large producers and exporters of fish, including “self-identified developing countries,” (e.g. China), apply the rules, the U.S. added. The EU agreed, adding that the issue should be negotiated on a stand-alone basis with no linkages with other negotiating areas.

On the other end, both China and India expressed their support for the process but call for any negotiating outcome to take into consideration the sensitivities of developing countries.

The incubator groups will meet throughout the week (Sept. 18–21) while meetings of the full Negotiating Group on Rules will take place next week (Sept. 24–28). Ambassador Zapata Barradas plans to intensify discussion throughout the fall.

### No Let Down in U.S.-China Trade War

The United States Trade Representative (USTR) announced on September 17<sup>th</sup> that a list of approximately \$200 billion worth of Chinese products will be subject to 10% additional tariffs, starting September 24, 2018.

The direction from U.S. President Donald Trump came in response to China’s alleged theft of American intellectual property and forced transfer of American technology. Monday’s announcement is only the first step of a two-stage increase in tariffs as the U.S. plans to raise the tariffs to 25% in the beginning of 2019 (January 1, 2019).

Geneva Watch is published by Dairy Farmers of Canada, Chicken Farmers of Canada, Egg Farmers of Canada, Turkey Farmers of Canada and Canadian Hatching Egg Producers to report on the various events occurring in Geneva, particularly on the WTO negotiations on agriculture.

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