

Advancing the Aquaculture Agenda OECD 15 – 16 April 2010

**Do we need to differentiate farmed and
captured species in trade?**

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Organization of presentation

- **Fisheries in GATT/WTO**
 - **Article XI**
 - **Working party on NRBPs**
 - **Fisheries in the Uruguay Round**
 - **Is fish an agriculture product?**
 - **Fisheries in the Doha Round**
 - NAMA, Rules & CTE**
- **Are wild and farmed fish “like” products?**
- **Wild & farmed fish in the trading rules?**

Fisheries in GATT/WTO

- **Fisheries explicitly mentioned in GATT Article XI (General Elimination of Quantitative Restrictions) which provides that**
 - **except for import restrictions “on any agricultural or fisheries product, imported in any form, necessary to the enforcement of governmental measures...”**

Working party on NRBPs

- **1982 Ministerial Meeting: work programme and decision re natural resource products**
- **1983 Secretariat study.**
- **1984 Working party on natural resource-based products set up**

Fisheries in the Uruguay Round

- **1) Negotiating Group on Natural Resource based Products (1987-1990)**
- **2) Market Access Group (1991-1993)**

Is fish an agriculture product?

- **Answer is “NO”.**
- **Expressly excluded from the scope of the Agreement on Agriculture as it does not fit in with the disciplines re the three pillars of AoA.:**
 - **Market Access**
 - **Domestic Support**
 - **Export Competition**

Fisheries in the Doha Round (1)

1) Market access (NAMA):

- **Tariff & non-tariff negotiations**
- **Swiss formula**
- **Sectoral negotiations**

Fisheries in the Doha Round (2)

“Swiss” formula

The following formula shall apply on a line-by-line basis:

$$\{a \text{ or } (x \text{ or } y \text{ or } z)\} \times t_0$$
$$t_1 =$$
$$\{a \text{ or } (x \text{ or } y \text{ or } z)\} + t_0$$

where,

t_1 = Final bound rate of duty

t_0 = Base rate of duty

$a = 8$ = Coefficient for developed Members

$x = 20, y = 22, z = 25$ (to be chosen as provided in paragraph 7) = Coefficients for developing Members.

Fisheries in the Doha Round (3)

2) Rules

- **Fisheries subsidy agreement aims at prohibiting subsidies which contribute to over-capacity and over-fishing;**
- **Certain subsidies allowed if effective management in place**
- **Exceptions for developing countries**

Fisheries in the Doha Round (4)

- **3) CTE**
- **Doha mandate on Multilateral Environmental Agreements (MEAs) focus on how WTO rules are to apply to WTO Members that are parties to environmental agreements, in particular negotiations are to clarify the relationship between certain trade measures taken under such environmental agreements and WTO rules.**

Are wild and farmed fish “like” products?

- Is farmed fish “like” “wild” fish in the sense of the WTO?
- Should or does the process and/or production method (PPM) make a difference?

Harmonized System (1)

- **WCO's system of code numbers for identifying products.**
- **Codes are standard up to six digits, the most detailed level that can be compared internationally.**
- **Beyond that, countries are free to use their own definitions according to their individual requirements.**

Examples of HS Tariff Line Levels

- **03: Fish and crustaceans, molluscs and other aquatic invertebrates**
- **0305: Fish, dried, salted or in brine; smoked fish, whether or not cooked before or during the smoking process; flours, meals and pellets of fish, fit for human consumption**
- ***0305.10: Flours, meals and pellets of fish, fit for human consumption*** (Standardized information, i.e. mandatory in WTO)
- **0305.10.20: In bulk or in immediate containers weighing with their contents over 6.8 kg each** (Individual information)

Harmonized System (3)

- **9th Session of WCO (2009) proposed to introduce in the HS a division between “capture” and “culture” because of**
 - **Increasing importance in trade of farmed species**
 - **Traceability**
 - **Consumer information**
 - **Stock protection; and**
 - **CITES considerations.**

Aquaculture and the WTO

- **Issue currently non-existent on the WTO agenda**
- **No separate tariff-lines for aquaculture products in most WTO member countries**
- **Notable exceptions: Iceland & Norway**

Is it possible or necessary to differentiate between wild & farmed fish on a tariff line basis? (1)

- **Possible : yes**
- **Necessary: for statistical/marketing/traceability/analysis reasons?**
- **As farmed fish are like products with wild fish, the same trade measures apply to both (except when otherwise indicated)**

Is it possible or necessary to differentiate between wild & farmed fish on a tariff line basis? (2)

- **Should aquaculture products be considered as agriculture products and thus subject to the AoA?**
- **Or is it sufficient for farmed fish products to be subject to most other WTO rules?**

Thank you for your attention!