

112TH CONGRESS
2D SESSION

S. 3518

To make it a principal negotiating objective of the United States in trade negotiations to eliminate government fisheries subsidies, and for other purposes.

IN THE SENATE OF THE UNITED STATES

AUGUST 2, 2012

Mr. WYDEN introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To make it a principal negotiating objective of the United States in trade negotiations to eliminate government fisheries subsidies, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Fair Trade in Seafood
5 Act”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) According to the Food and Agriculture Or-
9 ganization of the United Nations, 85 percent of the

1 world's fisheries are overexploited, fully exploited,
2 significantly depleted, or recovering from overexploit-
3 ation, the highest percentage ever on record.

4 (2) A primary reason for the global fisheries
5 crisis is government subsidies that create perverse
6 incentives for continued fishing in the face of declin-
7 ing catches.

8 (3) Despite the dire conditions of the world's
9 marine resources, some of the countries that engage
10 in the most fishing continue to provide significant
11 subsidies to their fishing fleets.

12 (4) Fisheries subsidies are estimated to be ap-
13 proximately 20 percent of the value of the world
14 catch and have helped create a global fishing fleet
15 that is up to 250 percent larger than that needed to
16 fish sustainably.

17 (5) Many long-range foreign fleets are sup-
18 ported by government subsidies for fuel, other oper-
19 ational expenses, and vessel construction that allow
20 their fleets to fish longer, at greater distances, and
21 more intensively than is commercially or environ-
22 mentally warranted. Those fleets would not be viable
23 without the support of government subsidies.

24 (6) Many developing countries are particularly
25 affected by fisheries subsidies provided by other gov-

1 ernments because the developing countries are un-
2 able to compete against subsidized industrial fleets.

3 (7) Fisheries subsidies offered by the govern-
4 ments of other countries give the fleets of those
5 countries an unfair advantage over United States
6 fishermen by reducing the costs of operations and
7 increasing the number, size, and power of vessels
8 competing for fish. Foreign fisheries subsidies also
9 undermine opportunities for United States fishermen
10 in potential export markets.

11 (8) Without committed global leadership to re-
12 duce “overfishing subsidies”, there is a significant
13 risk that the oceans will become too depleted to fish,
14 resulting in a catastrophic blow to the world econ-
15 omy and environment.

16 (9) As one of the world’s largest importers of
17 seafood and one of the top five exporters of seafood,
18 the United States has a particular responsibility to
19 lead trade negotiations to address fisheries subsidies
20 and make the establishment of strong new rules on
21 fisheries subsidies a core priority in United States
22 trade negotiations.

23 (10) Paragraphs 28 and 31 of the Ministerial
24 Declaration of the World Trade Organization adopt-
25 ed at Doha November 14, 2001, which launched the

1 Doha Development Agenda, called for negotiations
2 to clarify and improve disciplines on trade-distorting
3 government fisheries subsidies.

4 (11) Paragraphs 9 through 11 of Annex D of
5 the Ministerial Declaration of the World Trade Or-
6 ganization adopted at Hong Kong December 18,
7 2005, reinforced the Doha fisheries subsidies man-
8 date, noting that “there is broad agreement that the
9 Group should strengthen disciplines on subsidies in
10 the fisheries sector, including through the prohibi-
11 tion of certain forms of fisheries subsidies that con-
12 tribute to overcapacity and over-fishing” and calling
13 on “Participants promptly to undertake further de-
14 tailed work to, inter alia, establish the nature and
15 extent of those disciplines, including transparency
16 and enforceability”.

17 (12) The negotiations on fisheries subsidies in
18 the World Trade Organization and negotiations for
19 the Trans-Pacific Partnership Agreement are two of
20 the most important, and promising, international ef-
21 forts to stop global overfishing and represent mean-
22 ingful efforts to directly address a key environmental
23 issue that directly impacts international trade.

24 (13) On November 12, 2011, the leaders of the
25 9 countries in negotiations for the Trans-Pacific

1 Partnership Agreement—Australia, Brunei
 2 Darussalam, Chile, Malaysia, New Zealand, Peru,
 3 Singapore, Vietnam, and the United States—an-
 4 nounced the achievement of the broad outlines of an
 5 ambitious, 21st-century agreement. According to a
 6 statement released by those leaders, the agreed out-
 7 line calls for “[a] meaningful outcome on environ-
 8 ment [that] will ensure that the agreement appro-
 9 priately addresses important trade and environment
 10 challenges and enhances the mutual supportiveness
 11 of trade and environment. The TPP countries share
 12 the view that the environment text should include ef-
 13 fective provisions on trade-related issues that would
 14 help to reinforce environmental protection and are
 15 discussing an effective institutional arrangement to
 16 oversee implementation and a specific cooperation
 17 framework for addressing capacity building needs.”.
 18 Various proposals, including a proposal by the
 19 United States, to bring disciplines to government-
 20 subsidized fishing are under active discussion as
 21 part of the negotiations on the environment chapter
 22 of the Trans-Pacific Partnership Agreement.

23 (14) The United States continues to make
 24 achievement of an agreement on disciplines on gov-
 25 ernment fisheries subsidies a priority in negotiations

1 in the World Trade Organization and for the Trans-
2 Pacific Partnership Agreement. On December 16,
3 2011, at the Eighth Ministerial Conference of the
4 World Trade Organization in Geneva, the United
5 States Trade Representative issued a statement urg-
6 ing “continued work toward an ambitious outcome
7 on fisheries subsidies under the WTO”. Noting the
8 acute impact of declining catches on developing
9 countries, the Trade Representative further stated,
10 “We stand ready to explore new negotiating ap-
11 proaches that can move us towards the elimination
12 of harmful subsidies that contribute to overcapacity
13 and overfishing. . . . WTO Members have a duty to
14 address one of the root causes of overfishing and
15 overcapacity—the fisheries subsidies that encourage
16 fishing enterprises to fish longer, harder, and farther
17 than would otherwise be sustainable without subsidy
18 aid. . . . The United States is ready to continue this
19 work in the WTO and in other appropriate fora—
20 including free trade agreements such as the Trans-
21 Pacific Partnership and other bilateral, regional and
22 multilateral initiatives.”.

23 (15) A strong fisheries subsidies agreement by
24 the World Trade Organization and in the Trans-Pa-
25 cific Partnership Agreement would set an historic

1 precedent by showing that international trade can
2 directly benefit the environment while promoting ex-
3 ports and open markets.

4 **SEC. 3. TRADE NEGOTIATING OBJECTIVES OF THE UNITED**
5 **STATES WITH RESPECT TO GOVERNMENT**
6 **FISHERIES SUBSIDIES.**

7 It shall be a principal negotiating objective of the
8 United States in negotiations for a trade agreement—

9 (1) to eliminate fisheries subsidies provided by
10 governments that unfairly distort markets to the
11 detriment of United States commercial fishing inter-
12 ests and that perpetuate unsustainable fishing prac-
13 tices; and

14 (2) to ensure that any commitments with re-
15 spect to such subsidies are enforceable under appro-
16 priate trade laws.

17 **SEC. 4. EFFECTIVE DATE.**

18 This Act takes effect on the date of the enactment
19 of this Act and applies with respect to negotiations for
20 a trade agreement that—

21 (1) include any negotiations relating to the
22 elimination or reduction of government fisheries sub-
23 sidies; and

24 (2) are entered into—

25 (A) on or after such date of enactment; or

1 (B) before such date of enactment if the
2 negotiations continue on or after such date of
3 enactment.

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