

WASHINGTON, DC 20510

June 10, 2022

The Honorable Katherine Tai United States Trade Representative 600 17th Street NW Washington, D.C. 20508

Dear Ambassador Tai:

Twenty years ago, the World Trade Organization (WTO) launched negotiations to curb harmful fisheries subsidies. An agreement is long overdue. At next week's Ministerial Conference (MC12), we urge you to reassert U.S. leadership at this critical phase of the negotiations to insist on a high-standard agreement.

The urgency for such an agreement is clear. The United Nations Food and Agriculture Organization (FAO) estimates that 22 percent of fish landings come from biologically unsustainable stocks.¹ Overfishing not only impacts marine ecosystems, but it also undermines the well-being of people whose careers or food sources rely on the fishing industry—which is no small number. Thirty-nine million people around the world depend on fishing for their livelihoods, and 3.3 billion people rely on fish for 20 percent of their animal protein.²

Central to the problem are harmful subsidies that drive overfishing. These subsidies artificially lower the cost of fishing and encourage more fishing than stocks can sustainably support. Such subsidies often also flow to those engaged in illegal, unreported, and unregulated (IUU) fishing, or to actors who utilize forced labor.³

It bears emphasis that the harms of the subsidies are not kept to the waters around the countries that dispense them. Harmful subsidies paid by other nations like China and Russia put all other fishing fleets and their harvests at a competitive disadvantage. This disadvantages not only Americans, but also the people of developing countries. It is no secret that distant water fleets target the waters of countries that lack the means to enforce their rights effectively.⁴

To redress these harms, the United States needs a WTO agreement that contains ambitious commitments and that can demonstrably level the playing field. We recognize that hurdles remain on some issues. For instance, there are continuing negotiations surrounding the appropriate time period for countries to phase out harmful subsidies, with some proposing lengthy phase-ins. In addition, some statements made during negotiations have drawn a false

¹ FAO, The State of World Fisheries and Aquaculture (2020), *available at* <u>https://www.fao.org/documents/card/en/c/ca9229en</u>.

² World Trade Organization, Factsheet: Negotiations on fisheries subsidies, *available at* https://www.wto.org/english/tratop_e/rulesneg_e/fish_e/fish_intro_e.htm.

³ ILO, Ending Forced Labour by 2030: A Review of Policies and Programmes (2018), available at

 $https://www.ilo.org/global/topics/forced-labour/publications/WCMS_653986/lang--en/index.htm.$

⁴ Sally Yozell and Amanda Shaver, The Need for Transparency Across Distant Water Fishing, Stimson Center (Nov. 2019), *available at* https://www.stimson.org/2019/shining-light-need-transparency-across-distant-water-fishing/.

equivalency between harmful subsidies and government programs that lead to responsible fisheries management, including those that advance science and discourage unnecessary or unsafe fishing; aid dispensed to rebuild fisheries stocks or during disasters; and loan guarantees. A meaningful agreement, therefore, must effectively distinguish between harmful fishing subsidies that directly enable unsustainable fishing and those that do not, and provide clarity to governments and commercial harvesters that the latter category is not within scope of this agreement. USTR should not accept any agreement for the sake of an agreement, but secure an agreement that will meaningfully tackle these serious problems and will continue to support the U.S. fisheries, which are well managed.

Last year, you said regarding the fisheries subsidies negotiations that "the United States is committed to working together with all WTO Members to finally reach a conclusion to these longstanding negotiations, *but it must be a meaningful conclusion*." We agree. It is time to follow through on that commitment, which requires robust U.S. engagement. The ocean is crucial to the global economy, local communities, and protecting the planet. We seek that you bring 20 years of negotiations to a close with a meaningful deal on fisheries subsidies.

Sincerely,

Sheldon Whitehouse United States Senator

Ron Wyden United States Senator Chairman, Committee on Finance

ligatur

Elizabeth Warren United States Senator

Dan Sullivan United States Senator

Michael D. Crapo United States Senator

Lisa Murkowski United States Senator

Ben Cardin \langle

Benjamin L. Cardin United States Senator