



India's Stance on Fisheries Subsidies

For Prelims: [World Trade Organization \(WTO\)](#), [Fisheries Subsidies Agreement \(FSA\)](#), [Special and Differential Treatment \(S&DT\)](#), [Pradhan Mantri Matsya Sampada Yojana \(PMMSY\)](#), [Blue Revolution \(Neel Kranti Mission\)](#), [Kisan Credit Card \(KCC\) Scheme Extension](#), [Sagarmala Project](#), [Marine Fisheries Bill, 2021](#), [National Fisheries Policy](#).

For Mains: Fisheries Subsidies Agreement (FSA) and its impact on India.

Source: [BL](#)

Why in News?

India's proposals at the [World Trade Organization \(WTO\)](#) advocating for the establishment of regulations on fisheries subsidies have garnered substantial backing from numerous developing nations and least developed countries (LDCs).

- Efforts are currently underway to finalize the second phase of the [Fisheries Subsidies Agreement \(FSA\)](#) which aims to establish regulations on subsidies that contribute to overcapacity and overfishing, thereby promoting sustainable fishing practices.

What is the Fisheries Subsidies Agreement (FSA)?

- **About:**
 - It **prohibits subsidies** from being provided for [Illegal, Unreported and Unregulated \(IUU\) fishing](#) and overfished stocks.
 - The agreement proposed in [WTO's 12th Ministerial Conference](#), also **prohibits providing subsidies for fishing on high seas**, which are outside the jurisdiction of coastal countries and Regional Fisheries Management Organizations/ Arrangements.
- **Transition Period Allowance:**
 - Under the **Special and Differential Treatment (S&DT), Developing Countries and Least Developed Countries (LDCs)** have been allowed a transition period of two years from the date of entry into force of this Agreement.
 - They will have no obligation to implement disciplines for the specified period.
- **Exempted Areas:**
 - No prohibition has been imposed on a WTO Member regarding granting or maintaining subsidy to its vessel or operator as long as it is not carrying out IUU.
 - No prohibition on providing subsidies has been imposed for fishing regarding overfished stocks as long as such subsidies are implemented to rebuild the stock to a biologically sustainable level.
 - Negotiations on this issue have been going on in the second phase of FSA.
- **Benefits:**
 - It will **check large-scale IUU fishing which deprives coastal countries like India of fisheries resources**, thereby significantly impacting the livelihoods of our fishing communities.

What are the Concerns Regarding the Fisheries Subsidies Agreement?

- **Concerns of Small fishermen and Developing Countries and LDCs:**
 - Large-scale **commercial fishing operations often deplete fish stocks**, leading to reduced catches for small fishermen.
 - Large fishing **corporations often receive substantial government subsidies that small fishermen do not**, creating an uneven playing field.
 - The sustainability exemption clause in FSA is problematic as it **permits advanced fishing nations, which have better monitoring capabilities**, to evade commitments to reduce harmful subsidies, thereby disadvantage poorer countries that may fish sustainably but lack similar capacities.
 - Globally, an estimated **37.7% of fish stocks are overfished, a significant rise from 10% in 1974**, underscoring the urgent need for effective regulatory interventions.
 - As per WTO data, government funding for fisheries amounts to USD 35 billion globally, of which approximately USD 22 billion is directed towards subsidies that **increase the capacity for unsustainable fishing**.

Note:

- **Status of Countries Subsidising Fisheries:**
 - The **top five countries** subsidizing fishing are **China, the European Union, the US, South Korea, and Japan**, collectively **accounting for 58% of total global fishing subsidies**.
 - **China** stands out as a significant subsidiser, with approximately **two-thirds of its subsidies classified as capacity-enhancing**, which includes investments in larger vessels and equipment designed to exploit marine resources extensively.

What is India's Stand on the FSA?

- India's submissions to the WTO on fisheries subsidies emphasize **critical gaps that could perpetuate unsustainable fishing practices**, particularly among large-scale industrial fishing nations.
 - India's stand is that it is **one of the lowest fisheries subsidisers despite such a large population** and one of the disciplined nations in sustainably harnessing the fisheries resources.
- India advocates for the **application of the "polluter pays principle" and "common but differentiated responsibilities"** to ensure that countries with higher subsidies and industrial fishing practices bear greater obligations in prohibiting harmful subsidies.

Status of India's Fisheries Sector

- India ranks as the **third-largest fish-producing country globally (after China and Indonesia)**, accounting for 8% of total global fish production.
 - In the fiscal year 2022-23, India produced approximately 17.54 million metric tons (MMT) of fish.
- **Initiatives Related to Fisheries Sector:**
 - [Pradhan Mantri Matsya Sampada Yojana \(PMMSY\)](#)
 - [Blue Revolution \(Neel Kranti Mission\)](#)
 - [Extension of the KCC facility to fisheries](#)
 - [Marine Fisheries Bill, 2021](#)
 - [National Fisheries Policy](#)

Way Forward

- **Balanced Approach for Negotiations:** The ongoing negotiations at the WTO for the FSA should prioritize a balanced approach that effectively addresses the issue of overcapacity and overfishing while protecting the interests of small-scale fishers, particularly in developing countries like India.
 - The agreement should prioritize the voices and concerns of coastal communities, ensuring that their needs are central to the decision-making process.
- **Leadership Role for India:** India has significant gains to make from this agreement. India's small-scale fishers and local coastal communities are especially hurt from overfishing.
 - It has the opportunity to position itself as a leader of the Global South by advocating for coastal nations that suffer from the impacts of foreign industrial fishing fleets.
 - This stance can solidify India's commitment to the welfare of its small-scale fishers and local coastal communities, who are adversely affected by overfishing and declining catches.

Drishti Mains Question:

Discuss the implications of the Fisheries Subsidies Agreement (FSA) for developing countries and Least Developed Countries (LDCs). What are the concerns regarding the potential impacts of subsidies from developed countries?

UPSC Civil Services Examination, Previous Year Question (PYQ)

Prelims

Q. The terms 'Agreement on Agriculture', 'Agreement on the Application of Sanitary and Phytosanitary Measures' and 'Peace Clause' appear in the news frequently in the context of the affairs of the (2015)

- (a) Food and Agriculture Organization
- (b) United Nations Framework Conference on Climate Change
- (c) World Trade Organization
- (d) United Nations Environment Programme

Ans: (c)

Mains:

Q. WTO is an important international institution where decisions taken affect countries in a profound manner. What is the mandate of WTO and how binding are their decisions? Critically analyse India's stand on the latest round of talks on Food security. (2014)