AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

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.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Fair Trade in Seafood Act''.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) According to the Food and Agriculture Organization of the United Nations, 85 percent of the

world's fisheries are overexploited, fully exploited, significantly depleted, or recovering from overexploitation, the highest percentage ever on record.

(2) A primary reason for the global fisheries crisis is government subsidies that create perverse incentives for continued fishing in the face of declining catches.

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

(4) Fisheries subsidies are estimated to be approximately 20 percent of the value of the world catch and have helped create a global fishing fleet that is up to 250 percent larger than that needed to fish sustainably.

(5) Many long-range foreign fleets are supported by government subsidies for fuel, other operational expenses, and vessel construction that allow their fleets to fish longer, at greater distances, and more intensively than is commercially or environmentally warranted. Those fleets would not be viable without the support of government subsidies.

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

ernments because the developing countries are unable to compete against subsidized industrial fleets.

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

(8) Without committed global leadership to reduce ''overfishing subsidies'', there is a significant risk that the oceans will become too depleted to fish, resulting in a catastrophic blow to the world economy and environment.

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

(10) Paragraphs 28 and 31 of the Ministerial Declaration of the World Trade Organization adopted at Doha November 14, 2001, which launched the

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

(11) Paragraphs 9 through 11 of Annex D of the Ministerial Declaration of the World Trade Organization adopted at Hong Kong December 18, 2005, reinforced the Doha fisheries subsidies mandate, noting that ''there is broad agreement that the Group should strengthen disciplines on subsidies in the fisheries sector, including through the prohibition of certain forms of fisheries subsidies that contribute to overcapacity and over-fishing'' and calling on ''Participants promptly to undertake further detailed work to, inter alia, establish the nature and extent of those disciplines, including transparency and enforceability''.

(12) The negotiations on fisheries subsidies in the World Trade Organization and negotiations for the Trans-Pacific Partnership Agreement are two of the most important, and promising, international efforts to stop global overfishing and represent meaningful efforts to directly address a key environmental issue that directly impacts international trade.

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

Partnership Agreement—Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore, Vietnam, and the United States—announced the achievement of the broad outlines of an ambitious, 21st-century agreement. According to a statement released by those leaders, the agreed outline calls for ''[a] meaningful outcome on environment [that] will ensure that the agreement appropriately addresses important trade and environment challenges and enhances the mutual supportiveness of trade and environment. The TPP countries share the view that the environment text should include effective provisions on trade-related issues that would help to reinforce environmental protection and are discussing an effective institutional arrangement to oversee implementation and a specific cooperation framework for addressing capacity building needs.''. Various proposals, including a proposal by the United States, to bring disciplines to government-subsidized fishing are under active discussion as part of the negotiations on the environment chapter of the Trans-Pacific Partnership Agreement.

(14) The United States continues to make achievement of an agreement on disciplines on government fisheries subsidies a priority in negotiations

in the World Trade Organization and for the Trans-Pacific Partnership Agreement. On December 16, 2011, at the Eighth Ministerial Conference of the World Trade Organization in Geneva, the United States Trade Representative issued a statement urging ''continued work toward an ambitious outcome on fisheries subsidies under the WTO''. Noting the acute impact of declining catches on developing countries, the Trade Representative further stated, ''We stand ready to explore new negotiating approaches that can move us towards the elimination of harmful subsidies that contribute to overcapacity and overfishing. . . . WTO Members have a duty to address one of the root causes of overfishing and overcapacity—the fisheries subsidies that encourage fishing enterprises to fish longer, harder, and farther than would otherwise be sustainable without subsidy aid. . . . The United States is ready to continue this work in the WTO and in other appropriate fora—including free trade agreements such as the Trans-Pacific Partnership and other bilateral, regional and multilateral initiatives.''.

(15) A strong fisheries subsidies agreement by the World Trade Organization and in the Trans-Pacific Partnership Agreement would set an historic

precedent by showing that international trade can directly benefit the environment while promoting exports and open markets.

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

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

(1) to eliminate fisheries subsidies provided by governments that unfairly distort markets to the detriment of United States commercial fishing interests and that perpetuate unsustainable fishing practices; and

(2) to ensure that any commitments with respect to such subsidies are enforceable under appropriate trade laws.

SEC. 4. EFFECTIVE DATE.

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

(1) include any negotiations relating to the elimination or reduction of government fisheries subsidies; and

(2) are entered into—

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

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

○