



Third Oceans Forum on Trade-related Aspects of SDG 14, United Nations Trade Forum
UNCTAD, FAO, UN Environment, UNECE, the Commonwealth Secretariat, the ACP Group, and IOI
Palais des Nations, Room XXVI, 10 September 2019

Chair's Summary

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The objective of the Third Oceans Forum was to provide a platform for presenting state of the art analysis, sharing country experiences, and identifying public and private best practices on SDG14 on healthy oceans as relating to trade. The Third Oceans Forum represented a key element on the road to the Second United Nations Oceans Conference, to be held in Portugal in June 2020, the 12th WTO Ministerial Conference in Kazakhstan, also in June 2020, and the UNCTAD 15 Ministerial Conference, to be held in Barbados in October 2020.

In particular, the Forum focused on the impacts of climate change on fisheries and the oceans/blue economy, as well as on key aspects for consideration during the final phase of WTO fisheries subsidies negotiations. The Forum provided a timely opportunity for Member States and other stakeholders to present their views on various trade-related aspects of SDG14.

The current document reflects a summary of main points and recommendations made at the Forum by panelists, Member States and participants. This document was shared with all participants and drafted in a consultative process. The Third Oceans Forum formed part of the very first United Nations Trade Forum and counted more than 250 participants from a wide range of sectors, including government representatives, private sector, academia and civil society.

Participants commended the joint efforts by a coalition comprised of UNCTAD, FAO, UN Environment, UNECE, the Commonwealth Secretariat, the ACP Group and the IOI, to organize the Forum for the third time. In my capacity as Permanent Representative of Portugal to the United Nations Office, I would like to join these commendations and to add how impressed I am by this cooperation.

Achieving SDG14 targets requires an integrated, interdisciplinary and cross-sectoral approach, along with coordination and policy coherence at all levels. To achieve this, stakeholders need the capacity to design, implement and streamline policies, mobilize finance, and apply innovations that integrate best practices. This requires new partnerships and enhanced cooperation towards sustainable fish and seafood trade.

In response to a request issued at the Second Oceans Forum in 2018, UNCTAD/FAO/UN Environment have developed a draft **SDG14 Trade-related Inter-agency Plan of Action (IAPOA)** to support this process. This draft Inter-agency Plan of Action was welcomed by Forum participants, noting that it will serve as an important means of implementation, building on the UNCTAD/FAO/UN Environment roadmap presented at the United Nations Ocean Conference in June 2017, and in support of UN Member States' commitment to deliver on key trade-related targets of SDG14, including SDG 14.4, 14.6, 14.7, and 14.b.

Key points raised during the Forum on trade-related targets of SDG14 included:

Session 1: Oceans economy and climate change action.

1. Healthy and productive oceans and seas underpin human livelihoods and all ocean-based economic activity. According to some estimates, the ocean and coastal biomass may provide as much as two-thirds of the ecosystem services that make up the planet's natural capital. Natural capital provided by the oceans, including services, are not recognized by today's markets, such as their contribution to climate change mitigation, adaptation and resilience, and biodiversity conservation. These services must be integrated in decision-making and account systems.
2. Participants considered that a transition to sustainable ocean/blue economies will be indispensable in order to expand and maintain the value of the oceans and their sustainable use, while also maintaining their natural ability to support climate action and promote countries' resilience to climate change.
3. Adaptation to climate change should be undertaken within the multifaceted context of fisheries, complementing overall governance for sustainable use, and with due consideration for political commitments, technological innovation and behavioral change.
4. The need to identify targeted adaptation and economic diversification measures requires new data and analysis of climate vulnerabilities faced by the fisheries and aquaculture sector and associated risks, as well as available opportunities and response options. This is particularly relevant for natural biodiversity-reliant food production sectors for whom the development of an effective climate change response option is a priority.
5. Several panelists highlighted that fisheries subsidies often take the form of fossil-fuel support, which undermines energy efficiency improvements in the sector. Countries' commitments under the Paris Agreement further increase the urgency to act on fisheries subsidies reform in line SDG targets 14.4 and 14.6 by 2020.
6. One panelist pointed out that financial support to fisheries to modernize existing vessels and improve energy efficiency can be an effective way to reduce the climate change impacts of fisheries, however also emphasized that such support has to be subject to strict conditionalities, and must be monitored closely, to avoid any increase in overall fishing capacity or negative impacts on stocks.

7. Participants further called for assistance to developing countries to analyze the scope for diversification of their production base for selected blue and green value-added exports, and to connect them to relevant markets. UNCTAD-DOALOS's Oceans Economy and Trade Strategies (OETS), UNCTAD-CITES-CAF-IOI Blue BioTrade, FAO's Blue Growth Initiative, UN Environment and UNIDO's Green Industrial Policy and Trade Toolbox, and the UN/FLUX standard for sustainable fisheries management, all offer solid methodologies and approaches that can help capture the benefits of trade for development.
8. The influence of major private sector players in fisheries and aquaculture must be better understood in order to advance SDG14. These actors should play a role in promoting sustainable solutions driven by international trade and innovations.
9. Participants considered that there is a need to mainstream capacity building activities, training and education, standards, tools and strategies of Oceans Forum partners and other technical cooperation agencies.
10. All participants underlined the importance of inter-agency approaches and cooperation to accelerate SDG 14 implementation.
11. In order to solve climate challenges, there will inevitably be tradeoffs between sectors, that can only be addressed by directly involving all affected stakeholders.

Session 2: Toward a comprehensive WTO agreement on fish subsidies

1. The urgency of meeting SDG targets 14.4 and 14.6 by 2020 highlights the need to act swiftly by addressing overfishing, overcapacity, illegal, unreported and unregulated (IUU) fishing, and harmful fisheries subsidies. The existing political momentum needs to be translated into WTO disciplines that are transparent, practical and enforceable.
2. Substantially increasing the pace of the negotiations from September onwards will be critical for the conclusion of an agreement by December 2019, in line with SDG 14.6 and the WTO MC11 Decision on Fisheries Subsidies. A successful outcome on fish subsidies negotiations will be of fundamental relevance for the future of the WTO as a whole.
3. The 2019 fall negotiations should continue to work towards further developing all areas under negotiation to the greatest extent possible. In particular, the depth of engagement on cross-cutting issues should be increased, and the discussion on overfishing/overcapacity, including the feasibility of adopting a cap-based approach, further developed.
4. Panelists agreed that negotiators should aim at a WTO subsidies agreement that includes the following elements:
 - **A sufficient/credible level of ambition**, while allowing for deference to national authorities, and international standards and processes;
 - **Flexibility for priority areas of subsidization**, in particular artisanal fisheries, room to grow sustainably, and sustainability-enhancing subsidies, e.g. a green box;
 - **Transparency**, so there is clarity on actual subsidy levels on an annual or biannual basis;

- **Accountability**, by establishing an effective institutional structure and effective remedies for non-compliance; and,
 - **Enforceability**, so future disciplines are fully subject to WTO dispute settlement procedures.
5. Several participants emphasized that Special and differential treatment (SDT) is explicitly mentioned in SDG target 14.6, and the WTO Buenos Aires Decision on Fisheries Subsidies as a full part of any negotiated outcome. For many developing countries, due to the environmental sustainability implications, SDT should incorporate capacity building support, such as assistance to undertake stock assessments, on deploying effective monitoring, control and surveillance (MCS) systems, and on subsidies reform.
 6. The proposed level of detail of WTO notifications in WTO fisheries subsidies negotiations may be too ambitious for many developing countries, especially LDCs and SIDS and may not be commensurate with their contribution to the problem of overfishing and overcapacity. Alternative arrangements for those countries should be considered.
 7. Several panelists emphasized that any agreement and commitments negotiated at WTO 12th Ministerial should be subject to a review mechanism, to ensure that they are fit for purpose and fulfil their intended effect.
 8. Participants noted that the involvement of agencies such as UNCTAD, FAO, UN Environment, UNECE, the Commonwealth, the ACP Group, and the IOI, as well as trade, academic and scientific advisory bodies that provide technical expertise and fora for discussion, has been invaluable in the negotiation process and their continued engagement will be essential.
 9. The draft IAPOA, developed by the Secretariats of UNCTAD-FAO-UN Environment, can be a valuable instrument to support implementation of new fisheries subsidies rules in developing countries.
 10. Finally, participants invited donors to support the UNCTAD, FAO and UN Environment IAPOA, which is designed to accelerate the achievement of trade-related aspects of SDG14 through improved trade policies that safeguard food security, and contribute to conservation and sustainable use of oceans, living marine resources and livelihoods.