



PHD Research Bureau
PHD Chamber of Commerce and Industry



Intervention and Statements by Shri Piyush Goyal on Fisheries Subsidies Negotiations, Agriculture and TRIPS Waiver during the 12th Ministerial Conference of the WTO in Geneva

Fisheries Subsidies Negotiations

“India is a strong advocate of sustainability, and its glorious history speaks volumes of its traditions, customs and good practices in managing its natural resources. At the same time, I urge you to take cognizance of the fact that many nations from both hemispheres allowed their gigantic industrial fleets to exploit and plunder the ocean's wealth over the past several decades, leading to highly unsustainable fishing. In contrast, India maintained fleets of modest size that largely fished in its Exclusive Economic Zone, operating with passive gear and leaving bare minimum footprints on the seascape.

Our subsidies are one of the lowest; we are a member only in one RFMO, and we are not a distant water-fishing nation. We don't operate huge fishing fleets to exploit the resources indiscriminately like any other advanced fishing nation. I have before me a chart which shows the vastly differing subsidies given by different nations. India, for every fisher family that we have, gives barely \$15 in a year to its fishermen families and there are countries here, which give as high as \$42,000, \$65,000 & \$75,000 to 1 fishermen family. That is the extent of disparity that is sought to be institutionalized, through the current fisheries text.

India's fisheries sector is traditional and small-scale in nature and we are essentially one of the disciplined nations in sustainably harnessing the fisheries resources.

We must also be mindful of the fact that the ecosystem attributes of tropical waters are different from the temperate waters and in tropical waters the regeneration of the fish stocks is much faster *vis-à-vis* the temperate waters and therefore the same yardstick cannot apply.

Similarly, a de-minimis on the global catch basis without reference to the fishing, the fishermen families involved, the size of the nation, the size of the population being supported is a completely arbitrary and unfair situation. Whether point 7 or point 8, it does not take into account that an African country maybe supporting 220 million people population or possibly supporting a very large number of fishermen against another country which maybe supporting a 2 million – 3 million population and ten thousand fisherman, how can the de-minimis be the same for all sets of people.

We are also extremely concerned with the proposed prohibition limited to only specific fuel subsidies and leaving out the non-specific fuel subsidies. In the total fisheries subsidies, the share of fuel subsidies is estimated to be around 22 percent, which is mostly in the form of non-specific fuel subsidies. Through this agreement, we are trying to address the issue of sustainability. Leaving out disciplining non-specific fuel subsidies has no justification in the science of fisheries conservation. The Agreement would negate the objective of sustainability as envisaged under SDG 14.6 and our resolve to stop subsidies for IUU fishing.

The transition period of 25 years sought by India is not intended as a permanent carve-out, it is a must-have for us and for other similarly placed non-distant water fishing countries. We feel that without agreeing to the 25-year transition period, it will be impossible for us to finalize the negotiations, as policy space is essential for the long-term sustainable growth and prosperity of our low income fishermen.

The exemption from disciplines for the low income or resource-poor or livelihood fishing particularly again for those nations not involved in long distance fishing up to our EEZ i.e. 200 nautical miles, is highly essential to provide socio-economic security to these vulnerable communities. This will allow us to disperse the fishing operations of the low income, resource poor, small-scale and artisanal fishers deeper in the EEZ in order to reduce the fishing pressure in the nearer to coast regions. While urging for this exemption, it may not be out of place to state that Members have a sovereign right to explore, exploit and use the resources within their jurisdictional waters. We are also mindful of the responsibilities bestowed on us while exploiting the resources in our own sovereign waters.

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Statement by Hon'ble Minister of Commerce and Industry Shri Piyush Goyal during the Thematic Session on Agriculture at the WTO 12th Ministerial Conference

India has had an experience of transiting from a food deficient nation to a largely self-sufficient food nation. Our state support in the form of subsidies and other government interventions played a very important role to achieve this sufficiency, therefore we are fighting on behalf of all the developing countries including the LDCs collectively based on our own journey, our own experience. And look at the story so far, right from the Uruguay round where after 8 years of negotiations between 1985-86 and 1994 when the Marrakesh agreement was decided led to the establishment of WTO, agriculture always got a raw deal, imbalanced outcomes and those who were distorting markets by granting huge subsidies managed to secure their subsidies, which were prevalent at that point of time and deprived the other nations, the developing nations from their ability to grow and take prosperity to their people.

What we are discussing are the rules of an agreement largely suited to the developed countries, which work for their socio-economic situation already give higher entitlement for the developed world and the calculations under which the developed world is questioned are flawed based on certain situations prevailing 35 years ago and without any relevance to today's situation in either terms of growth in prices, inflation, changing dynamics with absolutely no system of calibrating it over the years, we landed up freezing that at the 86 levels and today we are suffering the consequences of that.

In my earlier intervention today, I alluded to this only to warn our other friends in the room that the same is sought to be done in Fisheries again. The ministerial conference of 11 December 2013 decided, and I repeat 'decided' that the members had agreed to put in place an interim mechanism to negotiate on an agreement for a permanent solution for adoption by the 11th ministerial conference. The process had been fixed. We all agreed on this, and in lieu of agreement on trade facilitation with the developed world was very keen adopt. We compromised, agreed on their trade facilitation agreement and settled for a permanent solution for public stockholding.

In fact, para 8 says and I quote, "Members agreed to establish a work program to be undertaken in the committee on agriculture to pursue this issue with the aim of making recommendations for a permanent solution". Para 9 says, "Members commit to the work program with the aim of concluding it no later than the 11th Ministerial Conference". And Para 10 says "The general council shall report to the 10th ministerial conference, the progress made on the work program". I am reminding you of this because what we are suggested is that we once again start the discussions on this issue, which was reiterated in 28th November 2014 document of the General Council and which states that public stockholding for food security purposes for the developing countries will be final. In fact, even in 2015 the ministerial conference in the 10th session took note of the progress and decided that they reaffirm the General council decision of 2014 and agreed to engage constructively to make all concerted efforts to agree and adopt the decision.

I am saying this out of agony because we are already in the 12th MC. It's a delayed MC, it is almost time for the 13th MC technically now and we are yet to finalise the permanent solution. I think it is possible to do it. We have very well established and proven mechanisms available and documents are on the table which can be adopted and finalised. So that we can bring closure on this very important subject.

WTO is an organisation for trade, but one should remember that before trade, there comes hunger and one cannot tread the path of trade on an empty stomach.

Leading up to the MC 12, more than 80 countries have come together for taking the issue of Public Stockholding to a logical conclusion and directly addressing the food insecurity concerns.

It is ironical that the Agreement on Agriculture (AoA) provides considerable flexibility to the developed members to provide huge subsidies in the form of Aggregate Measure of Support (AMS) and further, to concentrate these subsidies on a few products, without limit, but the same flexibilities are not available to majority of the developing countries including LDCs.

The fear mongering in the name of trade distortion by the latter's *de minimis* support entitlements is pointless.

There are vast differences in the actual per farmer domestic support being provided by different countries, as per the information notified to the WTO. This difference in case of some developed countries vis-a-vis the developing countries **is more than 200 times**. So the developed countries are giving more than 200 times the support that most developing countries are able to give.

Despite this, some Members have been pushing to deprive the low income and resource poor farmers of their already small share in state support.

The special and differential treatment accorded to developing countries remains crucial for us and hence bringing it into the ambit of negotiations is just not acceptable.

We feel that the draft Ministerial Decisions on Agriculture is expansive and goes beyond the Doha Round mandate and does not acknowledge the progress achieved so far.

Finally, India has always been proactive in extending food aid to vulnerable countries. On the proposal for providing exemption to the World Food Programme from export restrictions, while we support such exemptions, we believe, we must also provide for G2G transactions so that we can truly ensure food security - both global and domestic, from a broader perspective, specially considering the fact that World Food Programme has its own limitations of size, scale & funding.

I would urge the membership of the WTO to seriously reflect on this programme of permanent solution to public stockholding being finalised at the MC 12, sending a message to the world that we do care, we care for the poor, we care for the vulnerable, we care for food security, we care for a far more balanced & equitable future for the rest of the world.”

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Statement by Hon'ble Minister of Commerce and Industry Shri Piyush Goyal during the WTO 12th Ministerial Conference at the meeting with co-sponsors of TRIPS Waiver

Engaging with the Developed world to try and find solutions, and I must commend him for his wonderful leadership and of H.E. Ms. Xolelwa, Ambassador of South Africa. I have been trying to get a sense of where this is heading, both in the various quadrilateral meetings, in my bilaterals with various ministers and governments and also in the green room. I have a few disturbing things to share with you, which I think is important that we are all on the same page before we take a final decision.

First of all, I do not think it matters very much whether the item 1 and 2 get finalized or no, my own sense is whatever language we want gradually we will get in item 1 and 2 here, because they are very keen to show to the world and to civil society, that we have pain in our heart for the developing countries, we care for Africa, we care for the Less developed countries, we care for developing world and they want to clear their chest of this allegation that the developed world is insensitive and inhuman to the concerns of the poor and vulnerable.

The kind of fights over small commas, fullstops, one word here or there seem to suggest that this will continue through the 5 years, if anybody was to try and take the benefit of this agreement so that whoever makes such an effort will get frustrated and not a single plant to make manufacturing of vaccines will come with this.

Second, with great difficulty we got the period of 5 years but by the way we all know that by the time we get an investor, we get funds raised and draw plans, get equipment and set up a plant, it will probably take 2.5-3 years to do that. After that you will start producing and within two years you will have to bring down your exports to the normal compulsory license level and your capacity will remain idle. Today, in India we have vaccines which are expiring, we have the capacity of vaccines which is idling and therefore, investors will not be easy to come by for this.

Our hope and desire was that this will be the beginning and in 6 months they we will decide over therapeutic and diagnostics. I am sorry to share with you that in some bilaterals that I have had with the developed world and some of the countries who are opposing this in a way, they have almost clearly hinted and indicated that IP rights are extremely important, we are flowing with wind only because of the international pressure but on diagnostics and therapeutics there is no way we are going to yield.

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Warm Regards,

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