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WTO AGREEMENT ON FISHING: INDIA'S PERSPECTIVES AND IMPLICATIONS FOR SMALL-SCALE FARMING

THIS ARTICLE COVERS 'DAILY CURRENT AFFAIRS' AND THE TOPIC DETAILS OF "WTO AGREEMENT ON FISHING: INDIA'S PERSPECTIVES AND IMPLICATIONS FOR SMALL-SCALE FARMING". THIS TOPIC IS RELEVANT IN THE "ECONOMY AND INTERNATIONAL RELATIONS" SECTION OF THE UPSC CSE EXAM.

WHY IN THE NEWS?

The National Fishworkers Forum requested that the Ministry of Commerce and Industry persuade the World Trade Organisation to exclude small-scale fishing from fisheries subsidies ahead of the organisation's 13th Ministerial Conference.

STATUS OF INDIA'S MARINE FISHING

- **Production:** India ranks third globally in fish production, boasting an 8% share and 4.12 million tonnes in 2021-22. This contributes significantly to food security and livelihoods.
- **Sustainability Efforts:** Recent assessments indicate that 82.5% of India's marine fish stocks are within sustainable levels, reflecting progress in management practices.
- **Economic Contribution:** The sector generates significant income, employing millions and contributing 1.1% to India's GDP.
- The **National Fishworkers Forum** requested that the Ministry of Commerce and Industry persuade the World Trade Organisation to exclude small-scale fishing from fisheries subsidies ahead of the organisation's **13th Ministerial Conference**.
- India is the only nation with a high population of small-scale fishermen.

ABOUT WTO AGREEMENT ON FISHERIES SUBSIDIES

- The Agreement on Fisheries Subsidies is the first-ever multilateral trade deal built on the foundation of environmental sustainability.
- Adopted at the 12th WTO Ministerial Conference, it directly addresses Sustainable Development Goal (SDG) 14.6, aiming to end harmful fishing subsidies by 2020.
- This tackles **three key issues**: **1**) overfishing, **2**) excess fishing capacity, and **3**) illegal fishing fueled by subsidies.
- The Agreement bans several types of harmful subsidies:
- 1. Those that encourage illegal, unreported, and unregulated (IUU) fishing
- 2. Those that support fishing overfished stocks

- 3. Those given to fishing activities in unregulated high seas
- **Transparency is Key:** The Agreement strengthens the notification of fisheries subsidies by WTO members, allowing for better monitoring and ensuring compliance.
- **Funding for Sustainability:** A voluntary funding mechanism established by the WTO will support developing countries in integrating sustainability into their fisheries policies, strengthening management systems, and improving transparency.
- **Building Capacity:** Recognizing the challenges faced by developing nations, the Agreement includes targeted technical assistance and capacity building to help them implement its provisions.
- Walking the Extra Mile: Members are encouraged to take special care when granting subsidies to foreign vessels or activities targeting unknown fish stocks.
- **Special Considerations:** To ensure fairness, the Agreement includes special and differential treatment for developing countries and Least Developed Countries (LDCs). For example, dispute settlement mechanisms won't apply to them under certain conditions.

INDIA'S STANCE ON FISHERIES SUBSIDIES BOILS DOWN TO THESE CRITICAL POINTS:

- **Small Fry, Big Responsibility:** India argues it's a low-subsidy nation with a large, dependent fishing community relying on sustainable practices, unlike some advanced nations with bigger subsidies and industrial practices.
- **IUUs, Out!:** The Agreement's ban on subsidies for Illegal, Unreported, and Unregulated **(IUU)** Fishing is seen as a win, protecting coastal resources and livelihoods.
- **Polluters Pay:** India believes developed nations with a history of large-scale fishing and depletion should shoulder greater responsibility in reducing subsidies, following the "polluter pays" principle.
- **Gradual Shift, Not Sudden Drop:** India pushes for flexible timelines for developing countries to adjust, considering livelihood challenges and ensuring food security for fishing communities.

SUBSIDIES BY THE INDIAN GOVERNMENT IN THE FISHERY SECTOR

- **Prime Mantri Matsya Sampada Yojana (PMMSY):** Aiming to bridge substantial gaps in productivity and production within the fisheries sector, instil innovation, and integrate cutting-edge technology, among other initiatives.
- **2020 National Fisheries Policy:** Unveiling a comprehensive and unified 'National Fisheries Policy, 2020' that amalgamates the National Policy on Marine Fisheries, 2017 (NPMF), the Draft National Inland Fisheries and Aquaculture Policy (NIFAP), and the Draft National Mariculture Policy (NMP), incorporating elements of post-harvest practices.
- **Sagar Parikrama:** Embarking on a maritime journey along the coastal belt to showcase solidarity with fish farmers and stakeholders, embodying the spirit of the 75th Azadi Ka Amrit Mahotsav.

PRELIMS PRACTICE QUESTIONS

Q1. Consider the following statements:

- 1. Amber Box's category of subsidies is subject to reduction commitments under the Agreement on Agriculture
- 2. Uruguay Round of WTO negotiations led to the creation of the Agreement on Agriculture
- 3. The primary objective of the WTO Agreement on Agriculture is to enhance global agricultural trade

How many of the statements above are correct?

- A. Only one
- B. Only two
- C. All three
- D. None

ANSWER: B

Q2. What are the three pillars of the WTO Agreement on Agriculture?

- A. Subsidies, Tariffs, and Export Quotas
- B. Market Access, Domestic Support, and Export Subsidies
- C. Intellectual Property, Sanitary Measures, and Technical Barriers
- D. Trade Facilitation, Services, and Dispute Settlement

ANSWER: B

MAINS PRACTICE QUESTION

Q1. Examine the challenges and opportunities presented by the Agreement on Agriculture for small-scale farmers in India. How can these challenges be addressed to ensure inclusive growth in the agricultural sector?

Q2. Analyse the impact of the Peace Clause on India's domestic support policies. How does this clause influence the country's ability to implement agricultural support programs without facing trade disputes?

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