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Advancing Sustainable Development Goal 14:

Sustainable fish, seafood value chains, trade and climate

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Abbreviations

ABNJ	Areas beyond national jurisdiction
ACP	African Caribbean and Pacific Group of States
BGI	Blue Growth Initiative
CITES	Convention on International Trade of endangered Species
CCRF	FAO Code of Conduct for Responsible Fisheries
EAF	Ecosystem Approach to Fisheries
EEZ	The Economic Exclusive Zone
GDP	Gross Domestic Product
GSSI	Global Seafood Sustainability Initiative
IOI	International Oceans Institute
IPoA	Interagency Plan of Action for the advancement of SDG 14
IUU	Illegal, unreported and unregulated fishing
FAO	Food and Agriculture Organization of the United Nations
GHG	Green House Gases
LDC	Least Developed Countries
MC 11	The WTO 11th Ministerial Conference, Buenos Aires, Argentina 2017
MCS	Monitoring, Control, and Surveillance
MFN	The Most Favored Nation
NTMs	Non-tariffs Measures
NGOs	Non-Governmental Organizations
OECD	Organization for Economic Co-operation and Development
OETS	Ocean Economy and Trade Strategy
SAMOA	SIDS Accelerated Modalities of Action
SDGs	Sustainable Development Goals
SDT	Special and differential treatment
SIDS	Small Island Developing States
SPS	Sanitary and Phytosanitary Measures
SPR	Sao Paolo Round of negotiations on the General System of Trade Preferences
TBT	Technical barriers to trade
UNCLOS	The United Nations Convention on the Law of the Sea
UNCTAD	The United Nations Conference on Trade and Development
UNECE	The United Nations Economic Commission for Europe
UNDP	The United Nations Development Programme
UNFSS	United Nations Forum for Sustainable Standards
WTO	The World Trade Organization

SUMMARY

Oceans and seas have always been a major source of food and central to employment opportunities, recreation, trade, culture and economic benefits to many people throughout the world. Global fish production was estimated at 172.6 million tonnes in 2017, supplying around 21 kg/capita per year and 17 per cent of global animal proteins and essential micronutrients. Upstream and downstream activities along the fish and seafood value chain provided significant employment and economic benefits to countries and local coastal communities. As a result, around 59.6 million people were employed in fisheries and aquaculture in 2016 and some 200 million direct and indirect employment opportunities occur along the fish and seafood value chain.

Likewise, fish and seafood are among the most traded food commodities. Some 35 to 38 per cent of the world production enters international trade and generated $152 billion in 2017. Over 50 per cent of this trade originates in developing countries. In Pacific Small Island Development States (SIDS), fishing can provide between 30 and 80 per cent of exports – an advantage of the large Exclusive Economic Zones (EEZs) and the economic values they are able to capture from fish species such as tuna.

Unfortunately, rapid exploitation of living aquatic resources during recent decades has been undertaken in an unsustainable manner in several parts of the world leading to overfishing, degradation of fish stocks, habitats, ecosystems and biodiversity. The resulting economic loss is estimated at $83 billion per year for fisheries and over $6 billion per year from diseases in aquaculture. This is further exacerbated by climate change, which is likely to have a severe effect on fishing and fish farming communities in many parts of the world causing loss of livelihoods, displacement and migration of populations because of floods, storms or changes in fisheries distributions.

In 2015, the international community adopted the 2030 Agenda for Sustainable Development, with a Global Goal devoted for the first time to Oceans and Seas. Sustainable Development Goal (SDG) 14 is exclusively dedicated to “conserve and sustainably use the oceans, seas and marine resources for sustainable development. It has ten targets relating to marine pollution, protecting marine and coastal ecosystems, minimizing ocean acidification, sustainable management of fisheries and ending harmful fisheries subsidies, conserving coastal and marine areas, increasing economic benefits to SIDS and Least Developed Countries (LDCs).

Achieving the trade related targets of SDG 14 requires the catalysis of policies, investment and innovations to restore the productive capacity of the oceans and increase economic benefits to developing countries, in particular SIDS and LDCs. Innovations that integrate best practices for harvesting, value addition in processing and distribution, can benefit greatly from opportunities offered around the concepts of Oceans economy/blue economy, eco-labelling and certification, value chain analysis and seafood clusters.

The importance of effective partnerships to enable collective action with the full participation of all relevant stakeholders cannot be emphasized enough. UNCTAD, FAO and UN Environment jointly deposited a set of voluntary commitments at the United Nations Ocean Conference in June 2017, aimed to support member countries with technical assistance, capacity building and information dissemination on the trade-related issues associated with SDG 14. The convening power and expertise of the three agencies can provide a strong differential in supporting countries to progress towards achieving trade related targets of SDG 14 and to be in a better position to participate in relevant trade negotiations.

This background note reviews current trends and projections of fish and seafood trade, and recent work undertaken to support implementation of the trade related activities of SDG 14, with a focus on the work of UNCTAD, FAO and UN Environment. It flags the main issues encountered and sets the scene for the discussions of the Forum. It draws on the complementary experiences and mandates of UNCTAD, FAO and UN Environment to make recommendations to key stakeholders and propose innovative approaches and tools around the oceans/blue economy, value chain analysis, certification and eco-labelling to strengthen the capacity of developing countries in meeting the trade related targets of SDG 14.

1. INTRODUCTION

From ancient times, fisheries and aquaculture have been a major source of food and a provider of employment, recreation, trade, culture and economic benefits to many people throughout the world. These activities attain greater relevance along the coastal areas of many developing countries where there are significant obstacles for employment and where access to fisheries and aquaculture resources sometimes remains the only option open for earning a livelihood, improving income and the quality of lives. Unfortunately, there is evidence that easier access to fishery resources has not always translated in the long term into better incomes and increased well-being of coastal communities. The opportunities certainly exist, and they can be used by nations and communities, provided the right economic, institutional and governance policies and partnerships are in place.

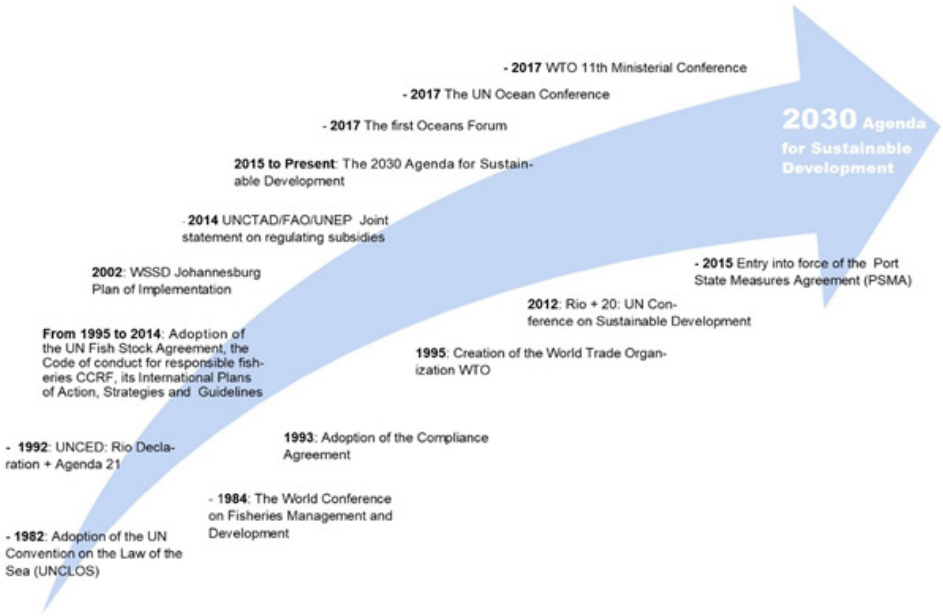
Until fifty years ago, the wealth of living aquatic resources was considered an unlimited gift of nature. However, with increased scientific knowledge, this myth has faded as we realized that aquatic resources, although renewable, are not infinite and need to be properly managed. The widespread introduction in the mid-seventies of exclusive economic zones (EEZs) and the adoption in 1982 of the United Nations Convention on the Law of the Sea (UNCLOS) provided a framework for management of marine resources. UNCLOS was further strengthened by the Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels on the High Seas (Compliance Agreement, 1993) and by The United Nations Agreement for the Implementation of the Provisions of UNCLOS relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks (Fish Stock Agreement, 1995) (Figure 1). This legal regime of the oceans gave coastal States rights and responsibilities for the management and use of fishery resources within their EEZs, which embrace some 90 per cent of the world's marine fisheries.

Concurrently and for over 25 years, world fisheries and aquaculture have become a market-driven, dynamically developing sector of the food industry, and coastal States have striven to take advantage of their opportunities by investing in fishing fleets, infrastructure and services in response to growing international demand for fish and seafood. Novel trade policies and strategies were promoted, and trade agreements were facilitated. The year 1995 saw the creation of the World Trade Organization (WTO) and several trade agreements were adopted to support a robust and predictable multilateral trade system for goods and services.

Unfortunately, it became clear in the late 1980s that fisheries resources could no longer sustain such rapid and often uncontrolled exploitation, and that new approaches to fisheries and post-harvesting management, embracing conservation and environmental considerations were needed urgently. In 1995, a Conference of the Food and Agriculture Organization of the United Nations (FAO) adopted the Code of Conduct for Responsible Fisheries (CCRF). This Code sets out principles and international standards of behaviour for responsible practices along the fisheries and aquaculture value chain with a view to ensure effective conservation, management and development of living aquatic resources, with due respect for the ecosystem and biodiversity.

The Code recognizes the nutritional, economic, social, environmental and cultural importance of fisheries and aquaculture and the interests of all those concerned with the sector. Further international instruments, Plans of Action (IPOAs), resolutions and commitments for healthier oceans were made (Figure 1). Concurrently, UNCTAD streamlined sustainability of living aquatic resources in its programmes on trade and development and partnered with FAO and other organizations to support and enable coastal developing countries, in particular Least Developed Countries (LDCs) and Small Islands Developing States (SIDS), to achieve greater benefits from sustainable fish and seafood trade while addressing illegal trade and unfair competition. UN Environment supported this process through the generation of policy-relevant analysis on the environmental, economic and social impacts of subsidies, facilitating dialogue between trade and fisheries policy-making communities, and its contributions to the international discussion on subsidy reform through a series of workshops, analytical papers and country projects. In recent years, the work of FAO, UNCTAD and UN Environment expanded into opportunities for sustainable fish and seafood trade offered by blue/ green economy and the contribution of instruments such as sustainability standards and certification to tap into these opportunities.

Figure 1. Milestones of key instruments and major undertakings in support of sustainable fisheries and living



Programs, initiatives and projects were implemented to improve fisheries and aquaculture management and conservation and to address emerging issues such as overfishing, Illegal Unregulated and Unreported (IUU) fishing, overcapacity, fisheries subsidies, destructive fishing gears and practices and marine pollution. Despite notable improvements achieved in some areas, real progress in addressing the key threats of living aquatic resources has not been substantive. Implementation has been uneven in many countries, and success in meeting the targets set for addressing the key drivers of deterioration in ocean health remained elusive – at great cost to the global economy and particularly to coastal and island developing countries. Yet, meeting the commitments the world has made for healthier oceans is doable. The causes for the decline of the health of the oceans are fairly known.

development actions of governments, international agencies, civil society and other institutions over the period 2016 – 2030.[1] The 2030 Sustainable Development Agenda calls on countries to express their priorities and commitments, to formulate strategies and plans and to adopt policies, programmes and partnerships to achieve their national goals and targets. Although fisheries and aquaculture contribute to several goals, the 2030 Agenda for Sustainable Development adopted, for the first time, a Global Goal on Oceans and Seas. SDG 14 is exclusively dedicated to "conserve and sustainably use the oceans, seas and marine resources for sustainable development", with clearly defined targets and timelines for:

- Reducing marine pollution;
- Protecting marine and coastal ecosystems;