

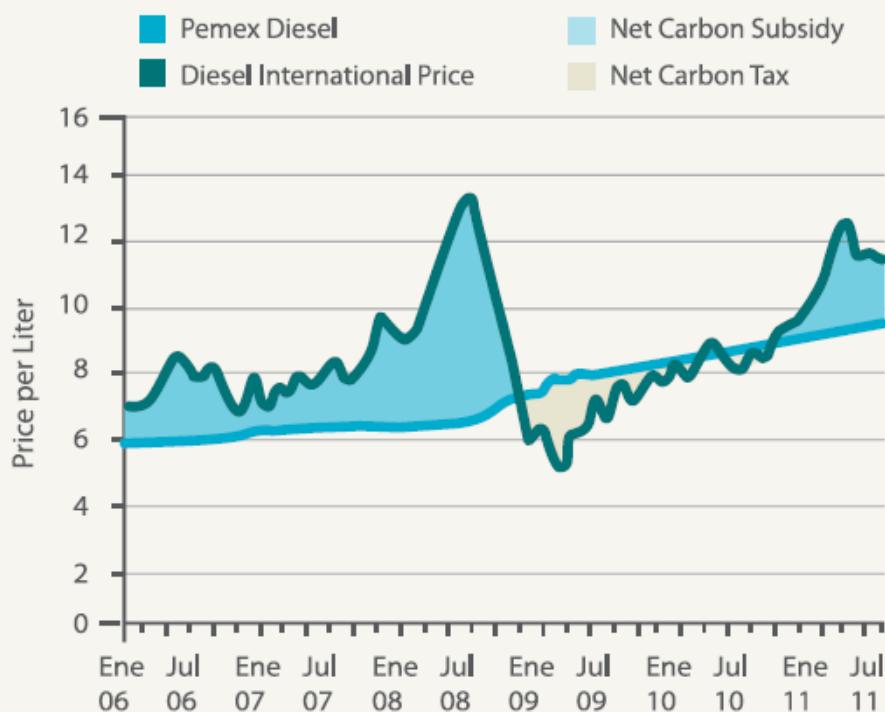
REFORMING FISHERIES SUBSIDIES

Maximizing the value of government investments in the fisheries sector through fact-based research and stakeholder dialogue

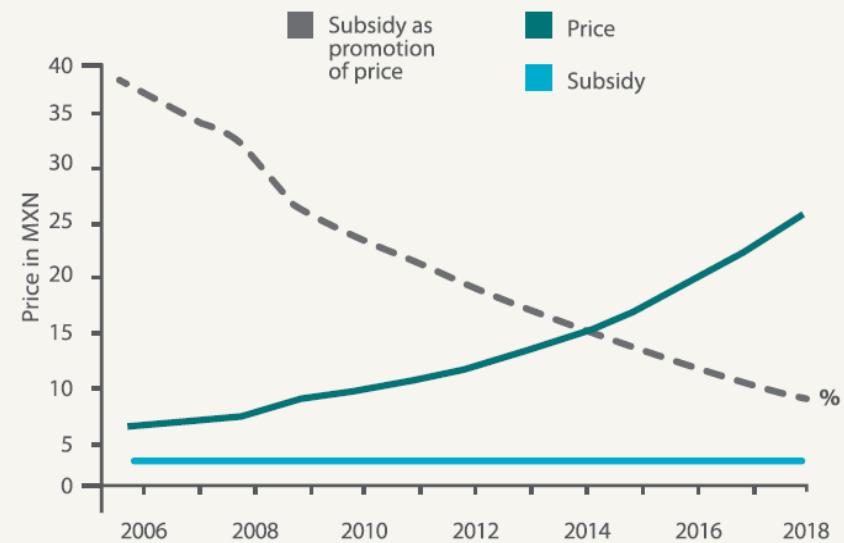


Fuel Subsidies for fisheries in Mexico

GENERAL FUEL SUBSIDIES BEHAVIOR IN MEXICO



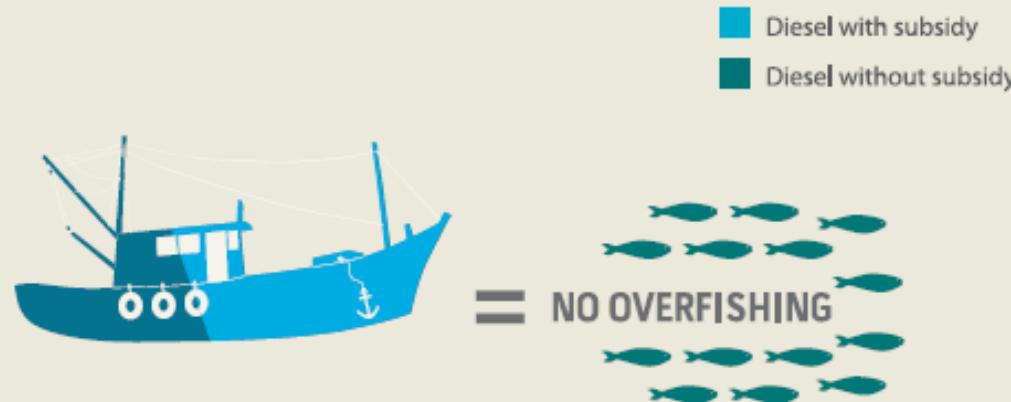
EVOLUTION OF DIESEL SUBSIDY AS PROMOTION DIESEL PRICE





Subsidy quota for diesel

FIGURE 2. FOCALIZED FISHING SUBSIDY



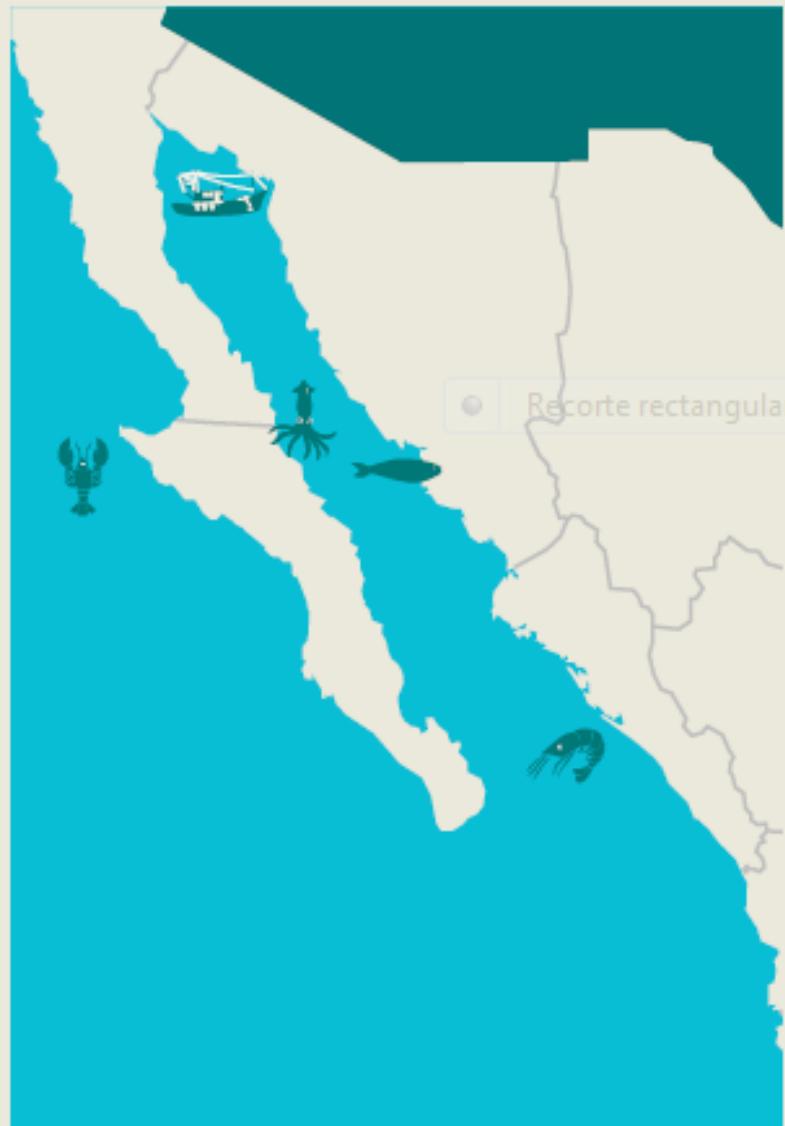
If the quota is less than the vessel's diesel consumption without subsidies, then the subsidy would not give any additional incentive to fish more.



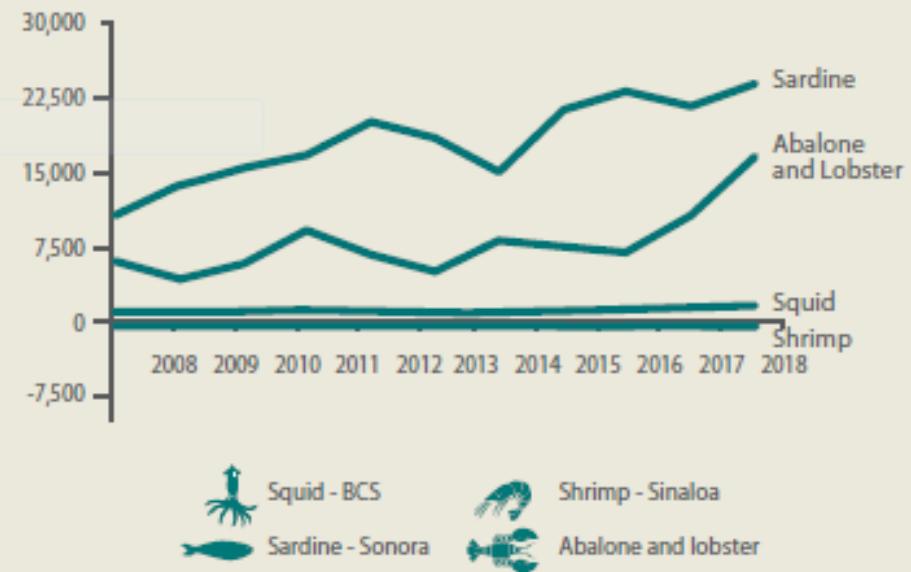
If the quota is higher than the vessel's diesel consumption if facing prices without subsidies, then the subsidy would encourage to fish more.



Results of selected fisheries



ECONOMIC VIABILITY 2008-2018
FOR SELECTED RPU (REVENUES WITHOUT SUBSIDIES IN
THOUSANDS OF PESOS)

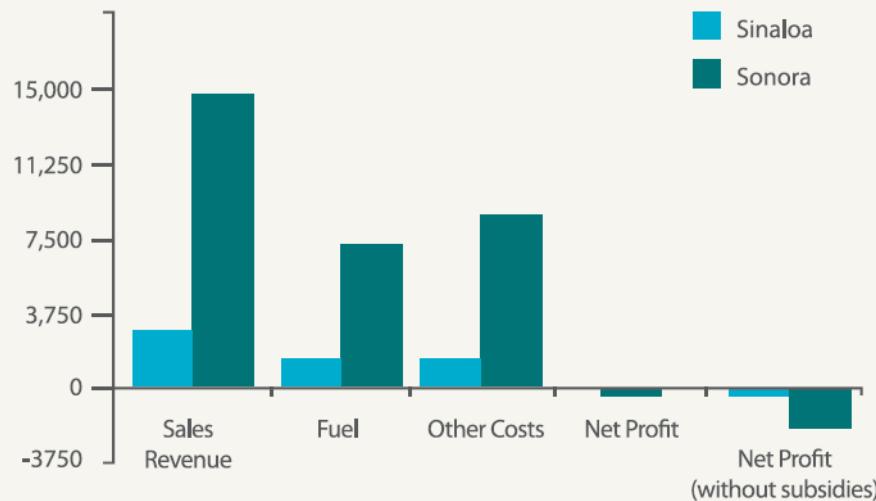


All results presented under the RPU analysis were taken verbatim from the study: Quote Agroprospecta study, with permission from Agroprospecta.



Results of selected fisheries

ANALYSIS RESULTS OF SHRIMP RPU (THOUSANDS OF PESOS)



THE CASE OF THE GULF OF CALIFORNIA INDUSTRIAL SHRIMP FISHERY

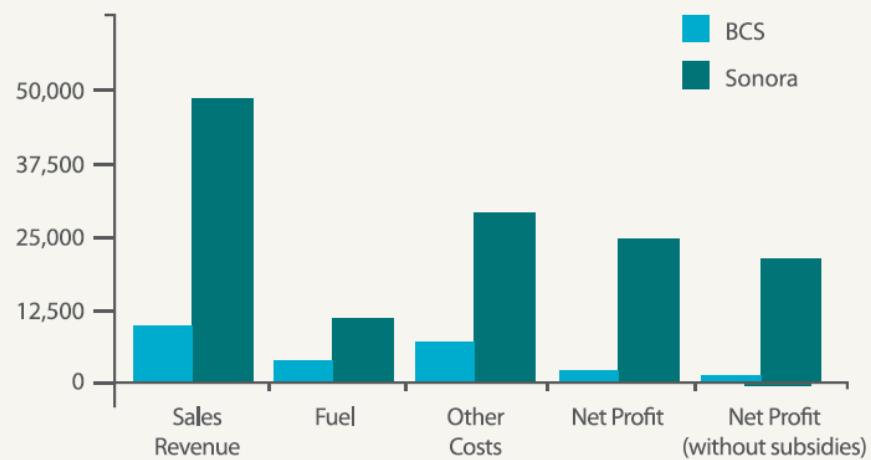


Reporte

THE CASE OF THE SARDINE FISHERY IN THE GULF OF CALIFORNIA



ANALYSIS RESULTS OF SARDINE RPU (THOUSANDS OF PESOS)

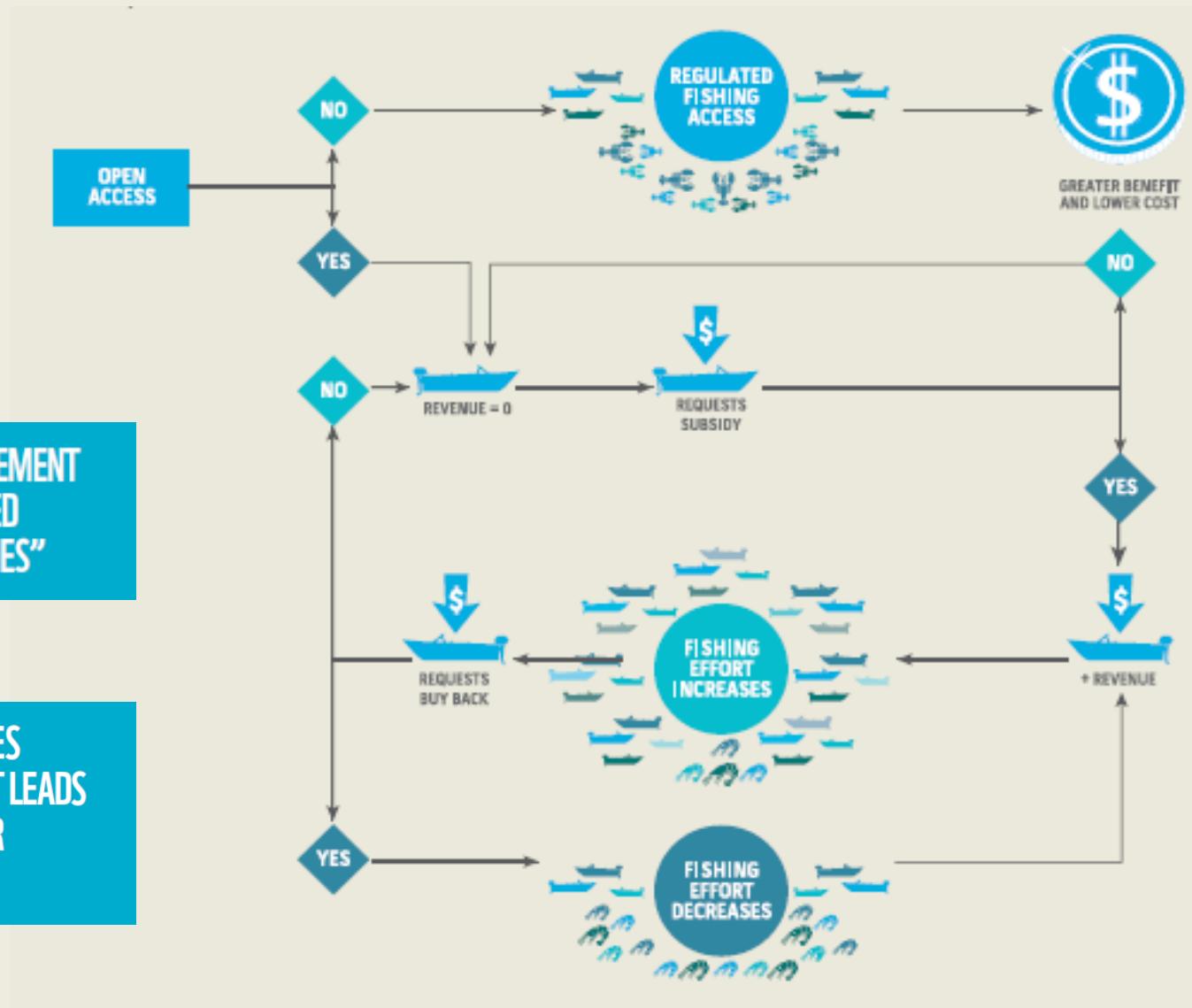




Some final findings

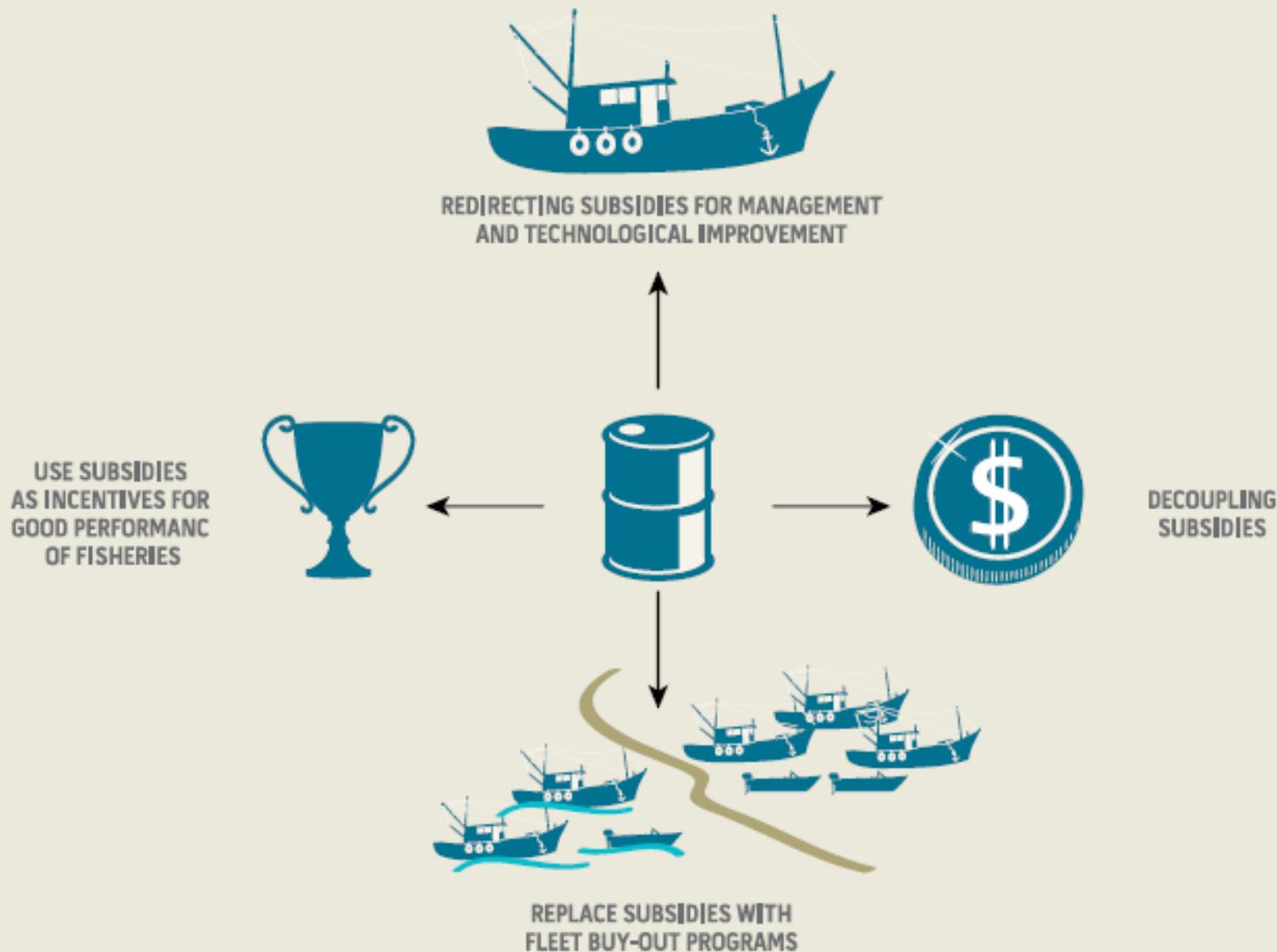
**"GOOD FISHERIES MANAGEMENT
ELIMINATES THE NEED
FOR FISHERIES SUBSIDIES"**

**"FISHERIES SUBSIDIES
ARE NOT THE CAUSE THAT LEADS
FISHERIES TO OVER
CAPITALIZATION"**





Some options to analyze



Background and perspectives in WTO

2001 – At Doha round, members agreed to begin negotiations to clarify and improve disciplines on fisheries subsidies.

2005 – At Hong King round, Ministers gave more precision to that objective, instructing the Negotiating Group on Rules to intensify its works.

2007 - The chair of the negotiating group prepared the first draft.

2009-2012 - Several countries oppose to the chair document:

- Brazil, China, Ecuador, Mexico and Venezuela in October 2009 argued that developing countries should be allowed to subsidize operational and capital costs under certain conditions
- Similar communications defending the right of development economies to improve their own fisheries were delivered by China, India, Indonesia, Brazil and Argentina
- Finally, a final communication was delivered by Brazil, China, India, and Mexico claiming for special and differential treatment (SDT)

Background and perspectives in WTO

- 2012** – WWF began working at the national level in countries that could shift the negotiations in the WTO, including Brazil, China, Indonesia, Malaysia, Mexico, South Africa and several countries in the Western Indian Ocean.
- 2014** – At Bali round negotiations did not move forward
- 2016** -- A group of countries lead by New Zealand presented a document to the Chair of the “Negotiating Group on Rules”, raising the awareness on the need to comply with the 2030 Agenda for sustainable development:
- "By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing and refrain from introducing new such subsidies, recognizing that appropriate and effective special and differential treatment for developing and least developed countries should be an integral part of the World Trade Organization fisheries subsidies negotiation."*
- 2017** - There is a renewed strong commitment to achieve an agreement on fisheries subsidies by the 11th WTO Ministerial Conference in December 2017



25%

Earnings of a typical shrimp boat are government transfers.

3,784
MILLIONS

In Mexico, between 2007 and 2012, 3,784 million MXN were delivered in form of subsidies.

19,000
FISHERMEN

Were supported by grants applied towards gasoline in the artisanal fishing sector.

70%

7 out of 10 pesos of the budget for fisheries in Mexico is given in the form of subsidies.

Thank you

esanjurjo@wwfmex.org