

## 6. Fisheries Subsidies – Economy

The WTO Agreement on Fisheries Subsidies, adopted at the 12th WTO Ministerial Conference in 2022, has officially entered into force in 2025. This landmark achievement was reached after the agreement secured ratification from two-thirds of the WTO's member countries.

### Key Provisions of the Agreement

This agreement is the first multilateral trade deal with environmental sustainability at its core, specifically targeting the harmful subsidies that contribute to global overfishing.

**Prohibition of Harmful Subsidies** – The agreement establishes three core prohibitions –

1. **Illegal, Unreported, and Unregulated (IUU) Fishing** – It bans government subsidies for vessels or operators engaged in IUU fishing activities.
2. **Overfished Stocks** – It prohibits subsidies for fishing stocks that are already overexploited. An exception is made for subsidies that are specifically directed at rebuilding these stocks to biologically sustainable levels.
3. **Unregulated High Seas Fishing** – It bans subsidies for fishing on the unregulated high seas, which are areas outside national jurisdictions and not managed by any Regional Fisheries Management Organization (RFMO).

### Supporting Mechanisms

**Transparency** – Members are required to regularly notify the WTO of their fisheries subsidies and fishing practices to ensure transparency and accountability.

**Special & Differential Treatment (S&DT)** – Developing countries and Least Developed Countries (LDCs) are granted a two-year transition period from the date of entry into force to implement their obligations.

**WTO Fish Fund** – A dedicated fund has been established to provide technical assistance and capacity building to help developing countries and LDCs implement the agreement and manage their fisheries sustainably.

### The Global Overfishing Crisis

The agreement is a direct response to the escalating crisis of overfishing, which threatens marine ecosystems and global food security.

**Depletion of Fish Stocks** – The percentage of global fish stocks being fished at biologically unsustainable levels has risen dramatically, from just 10% in 1974 to 35.5% in 2021.

**Role of Harmful Subsidies** – Annually, governments spend around USD 35 billion on marine fishing subsidies. Of this, an estimated USD 22 billion are considered "harmful subsidies" because they directly contribute to overcapacity and overfishing by lowering the cost of fuel, vessel construction, and other operational expenses.

**Link to Sustainable Development Goals (SDGs)** – This agreement is the first WTO agreement explicitly aimed at achieving a specific SDG target – SDG 14.6, which calls for an end to subsidies that contribute to overfishing.

### India's Position

India has been a key player in the negotiations, advocating for a balanced agreement that protects both the environment and the livelihoods of its small-scale fishers.

**Advocacy for Equity** – India has consistently argued for the principles of 'polluter pays' and 'common but differentiated responsibilities (CBDR)'. It maintains that nations historically responsible for industrial overfishing and stock depletion should bear a greater share of the obligations.

**Low Subsidizer Status** – India provides minimal and essential fisheries subsidies compared to advanced fishing nations like China, the EU, and the US. India's fisheries sector is dominated by small-scale and traditional fishers, not large industrial fleets.

**Protection of Livelihoods** – The agreement's provisions, such as allowing subsidies for rebuilding fish stocks and curbing large-scale IUU fishing by foreign industrial fleets, are seen as beneficial for protecting the resources and livelihoods of Indian coastal communities.

## Major Indian Fisheries Schemes with Subsidy Components

India's support for its fisheries sector is primarily aimed at development and livelihood support, not large-scale industrial fishing.

Scheme Name	Key Objective	Subsidy / Financial Support Mechanism
<b>Pradhan Mantri Matsya Sampada Yojana (PMMSY)</b>	Holistic development of the fisheries sector to enhance fish production and productivity.	Provides subsidies of up to 40% for the general category and 60% for women, SC/ST beneficiaries for various activities.
<b>Blue Revolution Scheme</b>	Integrated development and management of fisheries, including aquaculture and infrastructure.	Provides support for creating infrastructure like cold chains and processing facilities.
<b>Fisheries and Aquaculture Infrastructure Development Fund (FIDF)</b>	To create modern infrastructure for fisheries, from "catch to consumer."	Provides concessional finance and interest subvention for major projects like fishing harbors and fish processing units.
<b>Kisan Credit Card (KCC) for Fishers</b>	To meet the working capital needs of fishers and fish farmers.	Provides access to institutional credit at affordable interest rates.

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