

**COMMENTS FROM THE PEOPLE'S REPUBLIC OF CHINA ON THE  
UNITED STATES PROPOSAL ON FISHERIES SUBSIDIES (TN/RL/W/77)**

The following communication, dated 30 April 2003, has been received from the Permanent Mission of China.

China would like to express its appreciation to the United States for its proposal on Possible Approaches to Improved Disciplines on Fisheries Subsidies (TN/RL/W/77). In its proposal, the United States provides the Negotiating Group on Rules with the conceptual solution for the negotiations on fisheries subsidies and the ways to classify fisheries subsidies in "traffic lights" approach. China hereby would like to share its views concerning some specific issues in the US proposal.

**Disciplines on Fisheries Subsidies and Resource Management**

The United States points out in the Proposal that the goal of clarified and improved rules is to provide better disciplines on government programmes that promote overcapacity and overfishing, or have other trade-distorting effects. China believes that such fisheries disciplines will help to fundamentally resolve the problems encountered in sustainable development. As for the management of fisheries subsidies, China is concerned about the coastal jurisdiction of coastal countries entitled by relevant international laws and the legal status of regional fisheries organizations.

**Classification of fisheries subsidies**

China welcomes the "traffic lights" approach used by the United States to classify fisheries subsidies. However, the method of classifying various existing fisheries subsidies should be discussed intensely by WTO Members. China believes that Members shall focus on the research of the government subsidies that promote overcapacity and overfishing or have other trade-distorting effects, and shall establish objective standards to regulate such subsidies. Relevant international organizations have made many researches in this regard. China proposes that the Group should further discuss the classification methods on fisheries subsidies of OECD and FAO. Meanwhile, China proposes to establish a "Green Light" catalogue so as to support fisheries subsidies conducive to fisheries environment, trade and sustainable development.

**Notification of fisheries subsidies**

The strengthening of notification on fisheries subsidies and increasing transparency are the basis for the negotiations on fisheries subsidies, and also a pre-condition for accurate assessment of natures and effects of various relevant fisheries subsidies by this Group. China supports the Group's efforts to identify an appropriate method on notification on fisheries subsidies in order to ensure WTO Members to notify their fisheries subsidies in an efficient and comprehensive way.

### **Aquaculture and Food Safety**

According to the recent FAO report on *the State of World Fisheries and Aquaculture 2002*, aquaculture's contribution to global supplies of fish, crustaceans and mollusks continues to grow, increasing from 3.9% of total production by weight in 1970 to 27.3% in 2000, and aquaculture is growing more rapidly than all other animal food producing sectors. It is evident that aquaculture makes outstanding contribution to the protection of world's marine fisheries resources and guarantees food supply to the mankind. The protection and development of aquaculture is particularly important since the world's marine fisheries resources are not in perfect status. China believes that full consideration should be given to the specificity of aquaculture, particularly the nature of agricultural products embodied in aquatic products.

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