

July 6, 2011

Ambassador Ron Kirk United States Trade Representative 600 17th Street NW Washington, D.C. 20508

Dear Ambassador Kirk:

The world's oceans face an uncertain future. According to the UN Food and Agriculture Organization (FAO), more than 85 percent of the world's fisheries are now overexploited, fully exploited, significantly depleted or recovering from overexploitation – an increase from 75 percent just four years ago.

Despite the precarious condition of the world's fisheries, many countries continue to provide significant subsidies to their fishing fleets. These subsidies have created a global fishing fleet that is more than twice the size that is sustainable. Many foreign fleets, in particular the long distance fleets from China and the European Union, would not be viable without the support of government subsidies for fuel, other operational expenses, and vessel maintenance and construction. These subsidies allow their fleets to fish longer, at greater distances, and more intensively than is commercially or environmentally warranted. Among the major fishing nations, the developing world, including countries such as China and Brazil, provide subsidies that are rapidly approaching the level of those of their industrialized counterparts.

Across successive administrations, and with bipartisan support from Congress, the United States has played a key role in moving the World Trade Organization (WTO) to create strong new rules for fisheries subsidies. The U.S. was one of the countries that insisted that fisheries subsidy negotiations be included in the launch of the Doha Round in 2001. Since then, the U.S. has continued to insist that the WTO must prohibit trade-distorting and environmentally damaging subsidies that lead to excess fishing capacity and harvest.

As we approach the final stages of the WTO fisheries subsidies negotiations, it is critical that the United States renew its leadership by sending clear signals that a genuine outcome on fisheries subsidies remains a core U.S. priority for the WTO.

The United States is the world's largest importer of seafood and one of the top 5 exporters. Commercial and recreational fisheries supply more than 2 million jobs in the United States. Subsidies unfairly disadvantage American producers and workers, and they undermine coastal

communities by reducing the costs of operations for foreign fishing fleets and increasing the number, size, and power of boats competing for fish. Subsidies also undermine U.S. trade opportunities in potential export markets.

These alarming trends also have significant implications for global food security and economic growth. More than two billion people depend on fish as a key source of protein, and hundreds of millions rely on fishing as a source of income. In developing countries, fisheries are a fundamental contributor to the social integration and advancement of women.

The fisheries subsidies negotiations are an historic opportunity from both trade and environmental perspectives. Since the creation of the WTO, citizens in the United States and around the world have been calling for trade policies that support a sustainable path for economic growth. The United States proposals address the elements that contribute most directly to overcapacity and overfishing while making appropriate exceptions for programs which do not exacerbate these problems. Today, new rules to eliminate those subsidies which contribute to overfishing would be the most prominent and concrete environmental achievement in modern trade policy.

U.S. leadership on this issue will demonstrate the potential the WTO holds for tackling issues of trade and the environment. We believe strong provisions to reduce and control global fisheries subsidies are a "must have" for the United States at the WTO, and we ask that you ensure a timely and ambitious agreement on this issue is produced from the present negotiations.

Sincerely,

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