GO in favor of Dr. Kazi Shahjahan (Passport: E00180635), Join Secretary, ERDValidation Workshop on Final Draft Study Report
on
WTO Agreement on Fisheries Subsidies: Impact and Way Forward for Bangladesh

Organized by the Support to Sustainable Graduation Project (SSGP), ERD in association with Center for Natural Resource Studies (CNRS) and Associates for Innovative Research and Development (AIRD) Ltd.

Outcome Document

Support to Sustainable Graduation Project of the Economic Relations Division (ERD) in association with Center for Natural Resource Studies (CNRS) and Associates for Innovative Research and Development (AIRD) Ltd. Organized Validation Workshop on Final Draft Study Report on WTO Agreement on Fisheries Subsidies: Impact and Way Forward for Bangladesh on 28 April 2026 at the NEC 2 Conference Room of ERD. Secretary (Routine Charge) of the Ministry of Commerce Mr. Md. Abdur Rahim Khan attended the event as special guest. Additional Secretary and Wing Chief of the Development Effectiveness Wing of ERD and Project Director of SSGP Mr. A H M Jahangir chaired the event. Fromer Secretary to the government and Project Adviser of SSGP Mr. Abdul Baki moderated the discussion. Major discussions and recommendations coming from the event are documented below.

Welcome Remarks from Mr. A. H. M. Jahangir, Additional Secretary & Project Director, SSGP, ERD:

Mr. A.H.M. Jahangir, in his welcome remarks, pointed out that WTO Agreement on Fisheries Subsidies, which was adopted back in 2022 but yet to be ratified Bangladesh, deserves a thorough evaluation in light of the country's impending LDC graduation. Against this backdrop, he mentioned that the government, with support from SSGP, is conducting a study to analyze the impacts of the aforementioned treaty on Bangladesh's fisheries sector and to suggest necessary way forward. Recalling that the final draft of the report had been submitted lately, Mr. Jahangir informed that the workshop had been organized to gain insights, opinions and recommendations on the report from the relevant stakeholders. He hoped that the feedback and recommendations coming from the participants would help to finalize the study report.

Presentation on the Study Report on 'WTO Agreement on Fisheries Subsidies: Impact and Way Forward for Bangladesh' by Dr. Md. Sharif, Team Leader, CNRS

In the beginning of his presentation, Dr. Sharif highlighted the background and objective of the study. Afterwards, he reflected on the methodology that was followed in carrying out the study as well as the major findings. The study examined the current status of marine fish stocks, fisheries subsidies, export competitiveness, reporting systems, infrastructure gaps, and the likely impacts of Bangladesh's LDC graduation and future WTO obligations. It also analyzed regional marine catch trends and identified the challenges posed by overfishing, declining fish stocks, and capacity-enhancing subsidies.

The presentation emphasized the need for sustainable fisheries management through measures such as establishing Total Allowable Catch (TAC) and Maximum Sustainable Yield (MSY), improving digital catch reporting and monitoring systems, strengthening SPS/HACCP compliance, and investing in cold chain facilities and deep-sea fishing infrastructure. It further highlighted the importance of protecting the interests of artisanal fishers, transitioning towards WTO-compliant subsidy structures, diversifying marine exports, and developing a time-bound strategy to ensure sustainable marine fisheries development and export competitiveness in the post-LDC graduation period.

Discussions by the Panelists:

Mr. Sheikh Arif Hossain, Secretary, Bangladesh Marine Fisheries Association:

Mr. Hossain, in his remarks, noted that a comprehensive assessment of the existing stock is crucial before TAC (Total Allowable Catch) and MSY (Maximum Sustainable Yield) digital monitoring. In this context, he said that stock assessment should be incorporated before TAC/MSY digital monitoring. He also claimed that the members of Bangladesh Marine Fisheries Association are not involved in any illegal fishing, targeted overfishing, unregulated high sea fishing or harming of fish stocks. He also stated that the association members are also highly compliant and they pay a royalty fee of 100 taka to the government for every ton of fish captured. Mr. Hossain, in his deliberations, insisted that subsidies should be allowed in the following areas:

- General fisheries management like fishing vessel monitoring system;
- Scientific research on potential fishing grounds;
- Monitoring, control, surveillance and enforcement;
- Improvement in safety measures;
- Training programs for crews to reduce post-harvest loss;
- Fuel efficient engines;

He also said that the government should also provide support in developing cold chain system, fish processing plants and fish landing stations in coastal districts. He also observed that duty drawback on fuel for export-oriented fishing vessels should be reintroduced. He also insisted

that the banks may consider a waiver of loan interest accrued during the fishing restriction periods.

Dr. Muhammad Tanvir Hossain Chowdhury, Deputy Director (Blue Economy), Department of Fisheries:

Dr. Chowdhury said that the study report should thoroughly identify and classify the subsidies currently provided by the government to the marine fisheries sector. He also affirmed that accurate reporting of marine catch is imperative for ensuring compliance with the WTO rules. In this context, he affirmed that digital monitoring and tracking of marine catch would help to reduce IUU fishing. He also observed that the study may incorporate an updated transitional strategy featuring a gradual subsidy reform pathway. He informed that the Department of Fisheries would utilize that analysis to formulate the national fisheries subsidy policy. Noting that the study had recommended setting up a Fisheries Subsidy Compliance Unit, he said that a detailed structure of the proposed unit would help to accommodate it within the organogram of DoF.

Mr. Md. Hafizur Rahman, International Trade Expert (former Additional Secretary & DG, WTO Cell, Ministry of Commerce)

Mr. Rahman, in his remarks, highlighted the following issues:

- The WTO Agreement on Fisheries Subsidies applies to a wide range of marine resources including algae and corals. This report should try to cover those areas as well.
- One of the stated objectives of the study is to determine government support and subsidies specific to industrial and artisanal fishing. It is notable that export-oriented marine fisheries and seafood exporters in Bangladesh enjoy various fiscal incentives, including selected VAT and tax exemptions. The country also provides reduced import tariff facilities for selected fishing vessels, vessel engines, and fishing gear used in the marine fisheries sector. Bangladesh also provides limited fuel-related subsidies for the marine fisheries sector, particularly for marine fishing vessels and trawlers. The support provided under the ongoing and priority projects on Marine and Coastal Fisheries Infrastructure mentioned in Table 11 may also be considered as subsidy. Therefore, a thorough identification of such subsidies and proper analysis of which one would be subject to prohibition after LDC graduation is required.
- One of the stated objectives of the study is to investigate infrastructure development requirement that are essential to increase deep sea industrial and high sea fish. When it comes to identifying infrastructure development requirements—the study should focus on enhancing ship building and renovation capacity, icing capacity, packaging capacity etc.

- A significant portion of Bangladesh's marine fish catch remains unreported. Such unreported catch remains a barrier in preparing the country for complying with the Agreement on Fisheries Subsidies (AFS). Therefore, the study should focus on the need to improve the country's catch reporting system.
- Bangladesh did not ratify the AFS (Fish 1) as it did not provide longer transition period for addressing the capacity gaps of the LDCs. Bangladesh should advocate for that additional transition period for the LDCs during the ongoing negotiations on Fish 2 Agreement.
- Developing countries and LDCs with a share of global marine capture production not exceeding 0.8% are currently eligible for providing subsidies to their marine fisheries sector. Bangladesh should look to increase this cap during the ongoing Fish 2 negotiations.
- The Fish 2 text contains a clause regarding a transition period for the graduating LDCs. Bangladesh should look to retain that clause during the ongoing Fish 2 negotiations.
- Bangladesh should support the Indian proposal for extending the transition period for providing certain fisheries subsidies within Exclusive Economic Zones (EEZs) to 25 years for developing countries under the ongoing Fish 2 negotiations.
- It should be reexamined that whether any of the recommendations for infrastructure development provided in the study would fall within the purview of the prohibited subsidies.
- It has been mentioned in the report that US and EU had imposed sanctions on the export of shrimps from Bangladesh. This statement should be verified and corrected.
- It has been stated in the report that as of year 2000, only 48 fish processing units had obtained EU approval. This information should be verified and updated.

Open Floor Discussion:

At this stage, the floor was opened for feedback and comments from participants. During this phase, the following feedback and recommendations came from them.

- There should be a dedicated policy for marine fisheries sector in Bangladesh.
- There should also be a dedicated national cell for subsequent negotiations on Fish 2.
- Article 12 of the AFS includes a sunset clause stating that if comprehensive disciplines on harmful subsidies are not adopted within four years of the agreement's entry into force, the current agreement will lapse. Bangladesh can use it as a bargaining chip for the negotiation on Fish 2.
- Bangladesh also needs to ensure the accuracy and reliability of the data required for reporting under the AFS.

- Some countries including China are increasingly moving towards artificial breeding and aquaculture of marine fish, thereby reducing their dependence on natural marine fish. This could increase Bangladesh's share in total global marine capture at a time when it is important for the country to keep its share below 0.8 percent in order to remain eligible for providing subsidies to the marine fisheries sector.
- It was queried that whether Bangladesh can adopt any project for enhancing its capacity in marine fisheries sector at the end of transition period provided to LDCs under the AFS.
- The study may analyze whether the prevailing marine fisheries subsidies are reaching the intended beneficiaries.
- Digital monitoring tools can be utilized for stronger monitoring and accurate reporting of marine fish catch.
- The report should provide a data-based comparative analysis of marine fish exports of other countries bordering the Bay of Bengal.
- The underlying causes for the inaccuracy of marine fisheries data should be examined.
- The study report may feature a table highlighting the subsidies currently provided by the Government of Bangladesh to marine fisheries in various forms.
- The report may present a comparative assessment of the implications, challenges, and potential benefits of ratifying and not ratifying the AFS for Bangladesh.
- The government may consider necessary reforms in the bonded warehouse system to incentivize the marine fisheries sector.
- Bangladesh's huge population and consumption area can be a major bargaining chip for subsequent negotiation on Fish 2.
- Representative from the Ministry of Fisheries and Livestock (MoFL) expressed his ministry's interest in organizing Focus Group Discussions (FGDs) with the research team to sensitize them about the concerns of the policy makers as well as relevant stakeholders.

Responding to the above feedback and queries, Mr. Md. Hafizur Rahman said that the study report should identify the subsidies currently provided as well as the subsidies Bangladesh would not be able to provide at the end of the transition period provided to LDCs under the AFS. He said that the report should also outline and propose the measures the government should take to offset the loss of such subsidies. Noting that many capacity enhancement schemes for the marine fisheries sector might not eventually be allowed once the AFS is ratified and the associated transition period is over-- Mr. Md. Hafizur Rahman said that the government should immediately roll out such capacity enhancement projects to ensure that the local marine fisheries sector gain adequate capacity beforehand. He also clarified that subsidies for increasing the fish stock would be permissible under the AFS.

Speech by the Special Guest – Mr. Md. Abdur Rahim Khan, Secretary (Routine Charge), Ministry of Commerce:

Mr. Md. Abdur Rahim Khan, in his speech, pointed out that Bangladesh may avail technical assistance for the marine fisheries sector under Article 7 of the AFS. Therefore, he asked the Ministry of Fisheries and Livestock to explore this window. Mr. Khan also asked the MoFL to organize Focus Group Discussions on the draft study report involving the policy makers concerned as well as other stakeholders. Noting that there are scopes for capacity enhancement for Bangladesh in terms of data gathering and meeting the reporting requirements, he said that organizing such FGDs would also help to reduce the existing knowledge gaps in this area. He also asked the concerned research team to update the action matrix by identifying the ministries responsible for each action. Mr. Khan also suggested that the policy recommendations coming from the study should be more specific. He thanked ERD and SSGP for carrying out this study at the request of the Ministry of Commerce. He also thanked the concerned research team for their dedication and hard work.

Conclusion by the Chair - Mr. A H M Jahangir, Additional Secretary & Project Director, SSGP, ERD:

Mr. A.H.M. Jahangir, in his concluding remarks, thanked all the participants for their feedback. He also asked them to share their detailed feedback and comments in writing with the DE Wing and SSGP very soon. He also asked the concerned research team to conduct FGDs in association with the Ministry of Fisheries and Livestock and the Ministry of Commerce. He also asked them to finalize the report by incorporating the comments and feedback coming from the validation workshops as well as the proposed FGDs. Lastly, he concluded the workshop by thanking all the participants.

Major Recommendations

The event came up with the following major recommendations. ‘

- Bangladesh may avail technical assistance for the marine fisheries sector under Article 7 of the AFS. The Ministry of Fisheries and Livestock to explore this window to provide capacity enhancement support to the marine fisheries sector.
- MoFL may organize Focus Group Discussions on the draft study report involving the policy makers concerned as well as the research team and other stakeholders.
- The concerned research team may update the action matrix by identifying the ministries responsible for each action. The policy recommendations coming from the study should be more specific.

- the study report should identify the subsidies currently provided as well as the subsidies Bangladesh would not be able to provide at the end of the transition period provided to LDCs under the AFS. The report should also outline and propose the measures the government should take to offset the loss of such subsidies.
- Many capacity enhancement schemes for the marine fisheries sector might not eventually be allowed once the AFS is ratified and the associated transition period is over. As such, the government should immediately roll out such capacity enhancement projects to ensure that the local marine fisheries sector gain adequate capacity beforehand.
- The WTO Agreement on Fisheries Subsidies applies to a wide range of marine resources including algae and corals. This report should try to cover those areas as well.
- One of the stated objectives of the study is to determine government support and subsidies specific to industrial and artisanal fishing. It is notable that export-oriented marine fisheries and seafood exporters in Bangladesh enjoy various fiscal incentives, including selected VAT and tax exemptions. The country also provides reduced import tariff facilities for selected fishing vessels, vessel engines, and fishing gear used in the marine fisheries sector. Bangladesh also provides limited fuel-related subsidies for the marine fisheries sector, particularly for marine fishing vessels and trawlers. The support provided under the ongoing and priority projects on Marine and Coastal Fisheries Infrastructure mentioned in Table 11 may also be considered as subsidy. Therefore, a thorough identification of such subsidies and proper analysis of which one would be subject to prohibition after LDC graduation is required.
- One of the stated objectives of the study is to investigate infrastructure development requirement that are essential to increase deep sea industrial and high sea fish. When it comes to identifying infrastructure development requirements—the study should focus on enhancing ship building and renovation capacity, icing capacity, packaging capacity etc.
- A significant portion of Bangladesh's marine fish catch remains unreported. Such unreported catch remains a barrier in preparing the country for complying with the AFS. Therefore, the study should focus on the need to improve the country's catch reporting system.
- Bangladesh did not ratify the AFS (Fish 1) as it did not provide longer transition period for addressing the capacity gaps of the LDCs. Bangladesh should advocate for that additional transition period for the LDCs during the ongoing negotiations on Fish 2 Agreement.
- Developing countries and LDCs with a share of global marine capture production not exceeding 0.8% are currently eligible for providing subsidies to their marine fisheries sector. Bangladesh should look to increase this cap during the ongoing Fish 2 negotiations.

- The Fish 2 text contains a clause regarding a transition period for the graduating LDCs. Bangladesh should look to retain that clause during the ongoing Fish 2 negotiations.
- Bangladesh should support the Indian proposal for extending the transition period for providing certain fisheries subsidies within Exclusive Economic Zones (EEZs) to 25 years for developing countries under the ongoing Fish 2 negotiations.
- It should be reexamined that whether any of the recommendations for infrastructure development provided in the study would fall within the purview of the prohibited subsidies.
- It has been mentioned in the report that US and EU had imposed sanctions on the export of shrimps from Bangladesh. This statement should be verified and corrected.
- It has been stated in the report that as of year 2000, only 48 fish processing units had obtained EU approval. This information should be verified and updated.
- There should be a dedicated policy for marine fisheries sector in Bangladesh.
- There should also be a dedicated national cell for subsequent negotiations on Fish 2.
- Article 12 of the AFS includes a sunset clause stating that if comprehensive disciplines on harmful subsidies are not adopted within four years of the agreement's entry into force, the current agreement will lapse. Bangladesh can use it as a bargaining chip for the negotiation on Fish 2.
- Bangladesh also needs to ensure the accuracy and reliability of the data required for reporting under the AFS.
- Some countries including China are increasingly moving towards artificial breeding and aquaculture of marine fish, thereby reducing their dependence on natural marine fish. This could increase Bangladesh's share in total global marine capture at a time when it is important for the country to keep its share below 0.8 percent in order to remain eligible for providing subsidies to the marine fisheries sector.
- The study may analyze whether the prevailing marine fisheries subsidies are reaching the intended beneficiaries.
- Digital monitoring tools can be utilized for stronger monitoring and accurate reporting of marine fish catch.
- The report should provide a data-based comparative analysis of marine fish exports of other countries bordering the Bay of Bengal.
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- The government may consider necessary reforms in the bonded warehouse system to incentivize the marine fisheries sector.

- Bangladesh's huge population and consumption area can be a major bargaining chip for subsequent negotiation on Fish 2.
- The study report needs to be finalized by incorporating the comments and feedback coming from the validation workshops as well as the proposed FGDs.