

Gaining access to the territorial waters of many developing countries has been a goal of expanding global capital in recent years. It comes in different forms and under different names but with the single objective of extracting profits for big business. The European Union (EU) is at the forefront of this drive. Through fisheries partnership agreements (FPAs), the EU is able to sustain its lucrative fishing industry and export its overfishing problems to other parts of the world – Africa, the Caribbean, the Pacific – often with disastrous consequences for local small fishers. Now the EU is testing Asia’s waters. In this article, GRAIN investigates how Asia’s small fishers stand under the proposed EU–ASEAN free trade agreement (FTA).

Empty coasts, barren seas

GRAIN

It is like the opening of a movie: a slow pan of a long stretch of undeveloped white-sand beaches, nipa huts defining the edge of the coastal community, a multitude of small boats by the shore. The very sight evokes calm. But in this tiny fishing community off the mainland Mauban, Quezon, in the Philippines, such calm disappears as soon as the residents talk of their daily struggles. The fish catch has plummeted in recent decades, forcing many to give up fishing or, in more desperate cases, to harvest what is left in the sea through dynamite and cyanide fishing. Most fishers claim that this rampant illegal practice, coupled with the establishment of a thermal power plant in the nearby Mauban mainland, have almost emptied the island’s municipal waters of fish. Lawlessness is also a big factor. Once in a while Taiwanese fishing vessels are spotted, but neither the local coastguard nor the fishing authorities do anything about them. The fishers claim that this has to do with the country’s almost open-access policy, resulting from its fisheries liberalisation drive over the past decade. Worse, residents are being evicted from the area, by means of police, military and legal harassment, because of plans to transform the island into a tourist resort.¹

This is becoming a common story, as the situation is replicated throughout Asia: fish stocks decline; foreign vessels trawl sovereign waters; different forms of “development” constantly threaten the livelihoods of coastal communities. The global expansion of capital under the guise of “free trade” makes this pattern of extraction and exploitation a common reality. Indeed the wave of liberalisation that has swept across Asia’s fisheries in recent decades has turned the territorial waters of, say, the Philippines, Thailand or Indonesia, into a free-for-all industrial fishing ground for rich and powerful nations, at the expense of local small fishers. And there is more to come, as countries sign away their oceans and their fishers through bilateral trade agreements.

In a speech in Jakarta in 2004, the European Commissioner for Trade at the time (now WTO Director General), Pascal Lamy, underscored the importance of making use of the “available tools” in engaging with the rest of the world.² He was emphasising the complementary nature of bilateral negotiations to multilateral agreements such as the WTO, and giving momentum to a bilateral free trade agreement that has been talked about for

¹ Based on personal visit to Cagbalite Island and conversations with local residents, January 2007.

² EU–ASEAN Partnership: Harnessing Globalisation Together. <http://tinyurl.com/kvyk33>



Table 1: The global fish trade in 2006

Global production	144 million tonnes combined capture fisheries (64%) and aquaculture (36%)
Value of exports	Total world exports of fish and fish products: US\$85.9 billion (55% increase from 2000)
Value of imports	Total world imports of fish and fish products: US\$89.6 billion (49% increase from 2000) Developed countries accounted for about 80% of imports, in value terms.
Top commodities	Shrimp: 16.6% Groundfish: 10.5% (e.g. hake, cod, haddock and Alaska pollock) Salmon: 10.7% Tuna: 7.7% (percentages are from overall internationally traded fish products)
Top fishing countries	China, Peru, USA – occupying top three positions since 2001 in capture fishery production in the EU: Spain, Denmark, UK, France
Most caught species	worldwide: Peruvian anchoveta, Alaska pollock, skipjack tuna, Atlantic herring, blue whiting by the EU: Atlantic herring, European sprat, blue whiting, Atlantic mackerel
Top aquaculture countries	China (accounts for two-thirds of world production), India, Vietnam, Thailand, Indonesia in the EU: Spain, France, Italy, UK, Greece
Most cultivated species	worldwide: Various species of carp, whiteleg shrimp, atlantic salmon, giant tiger prawn by the EU: sea mussel, rainbow trout, blue mussel, Atlantic salmon

many years between the EU and the Association of South East Asian Nations (ASEAN).³ Just like its competitor the United States, the EU wants more liberalisation and opening up of developing countries' economies to its transnational corporations. Since the WTO collapse in Cancún in 2003, however, the entire multilateral trading system seems to have gone down with it, and areas such as market access and investments are now negotiated on a bilateral basis. The EU cannot ignore a potentially big investment market like ASEAN, currently dominated by the US, Japan and China.

In May 2007, both ASEAN and the EU agreed to start negotiations, with the aim of concluding an FTA within three years. The proposed FTA aims to liberalise substantially all goods and services, by removing practically all forms of protection and barriers to trade, ensuring that nothing stands in the way of foreign investment. Through this FTA, the EU plans to secure its place in the ASEAN region in line with its Global Europe vision, its post-colonial blueprint for world domination through free trade. Fisheries comprise one sector that the FTA seeks to liberalise further, primarily in order to open up the ASEAN market for EU products and technology, and to ensure the supply of seafood products to the EU, as well as raw materials for its booming aquaculture industry.

It is important to note that the EU, while it negotiates an FTA with ASEAN as a bloc, does the same in parallel with individual countries:

EU–Philippines, for example. So while it offers financial support for ASEAN integration, it extends the same support to individual countries to increase trade with the EU. It is a clever approach. Although the EU prefers an integrated market, it also sees the importance of prising open individual markets, especially for the political dynamics that this creates in the region. The EU–ASEAN FTA may be currently suspended, with the EU appearing to have other priorities at present. Was it the slow pace of the negotiations that stalled the deal? Or has the EU wrung enough concessions from individual ASEAN countries that it can now afford to let go of ASEAN as a bloc? One thing to keep in mind is the experience in other regions: the EU's interest is not so much in promoting free trade as in controlling it.

High stakes in global trade

Over the last five years, increased demand for fish and fishery products has propelled an increase in global production, reaching a record 144 million tonnes in 2006⁴ (see Table 1). Combined imports and exports account for US\$176 billion, dominated by China, Japan and the USA. But the EU's stake is not small. Its exports in 2006, valued at US\$21.6 billion, account for 25% of the world's total (US\$85.9 billion) that year. Among the world's top exporting countries, led by China and Norway,⁵ are EU member states: Denmark, Spain and the Netherlands, with combined exports of US\$9.6 billion – 44.4% of the EU's (and 11.2% of the world's) total fish exports. There is no doubt



3 The EU currently has 27 members: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxemburg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom. ASEAN has 10 members: Brunei Darussalam, Burma, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand, Vietnam.

4 FAO, "Fact Sheet: The international fish trade and world fisheries", June 2008. <http://tinyurl.com/nhfvbd>

5 Norway is a member of European Free Trade Association (EFTA), which also includes Iceland, Liechtenstein and Switzerland.

that sustaining the EU's fishing industry is the key to securing its stake in the global fish trade.

At the same time, however, the EU's own fishery resources are declining sharply, putting pressure on its 27 member nations to enforce quotas on certain species and to cut the number of fishing fleets. The EU is currently one of the largest aquatic food markets in the world, relying on imports for two-thirds of its fish consumption. Average per capita annual consumption is about 21 kg.⁶ In fact, the EU is listed among the top importers, following Japan and the United States, with total imports – led by Spain, France, Italy, Germany, UK and Denmark – amounting to US\$41.8 billion (43.5%) of the world's total of US\$96 billion in 2007.⁷ Of course, much of the EU's imports comes from other European nations.



Photo: GRAIN

Fish on a fishmonger's slab

ASEAN's export of fish and fishery products to the EU is currently minimal, hence some governments see the FTA as an opportunity to increase exports to the EU market. Thailand's and Vietnam's combined exports were worth only US\$8.6 billion in 2006, 10% (as opposed to the EU's 25%) of total world exports.⁸ While Vietnam's catfish increasingly finds a market in Europe, almost all of Thailand's exported shrimps (30% of the overall shrimp market) go to the US. The EU may offer a potentially big market for ASEAN countries' fish and fishery exports, but it would impose such a restrictive regulation regime that only big companies might be able to comply.

In fact, in order to be allowed to export to the EU, ASEAN has to comply with standards of safety assurance and traceability before fish and fishery products can enter the EU market. The exporting

country must have public health legislation and controls for the fisheries sector equivalent to those that apply in EU legislation. Lamy obviously wasn't telling his audience in Jakarta that small and artisanal fishers would lose out in the effort to increase exports to the EU. In 1997, Bangladesh made short-term losses of at least US\$14.7 million when the EU decided to impose a five-month ban on shrimp imports owing to the failure of Bangladeshi exporters to meet EU safety standards.

The real winners in this bilateral FTA between EU and ASEAN are of course not governments but the transnational companies (TNCs) that smile quietly as governments secure for them access to coastal waters, lucrative markets, and a perfect environment for investment.

Box 1: How the proposed EU-ASEAN FTA will hit small fishers

- Trade in goods, specifically the dismantling of import/customs duties and tariff reduction: more capacitated, highly subsidised EU fleets will be able to fish ASEAN waters, including in the exclusive economic zones, and land its capture on ASEAN shores to the great disadvantage of smaller domestic competitors. This would result in significant loss of livelihood, especially for small and artisanal fishers.
- Sanitary and phytosanitary (SPS) measures: due to the increasingly complex requirements for food safety assurance and traceability set by the EU market, ASEAN will be forced to comply with high standards of safety assurance and traceability before fish and fishery products can enter the EU market. This would not only ultimately bar ordinary produce from small fishers but also gives the EU more leverage to refuse shipment of any product that didn't comply with its standards.

In a nutshell, what the FTA does is create unfair competition, having lopsided rules that favour the EU's fishing and market conditions.



6 Green Facts, latest data on fisheries, 2009. <http://tinyurl.com/lcre7t>

7 Globe Fish, "Globalisation and the Dynamic of International Fish Trade", PowerPoint presentation, 2008. <http://tinyurl.com/mtmbj7>

8 FAO, "Fact Sheet: The international fish trade and world fisheries", June 2008. <http://tinyurl.com/nhfvbd>

Box 2: Fished off! The case of north-west Africa

Since 1979, African governments have continued to enter into fishing agreements with the EU – in exchange for payment for access rights – to allow its highly subsidised industrial fleets to extract valuable fish species, even those on the brink of extinction. As a result, Mauritania's lobsters disappeared many years ago. Senegal's octopus stock is now close to collapse. And many, if not most, of Senegal's and Mauritania's local fishers are out of business and migrating illegally to Europe. Against this backdrop, the EU signed again in 2002 a US\$64-million four-year fishing deal with Senegal to fish for bottom-dwelling species and tuna. In 2006, it also struck a deal with Mauritania to pay US\$146 million a year for six years for access to its waters of 43 EU vessels.¹ How many poor governments could refuse such a deal?

Under the United Nations Convention on the Law of the Sea, distant-water fleets are allowed access to resources that the coastal state is not able to exploit itself. In reality, fishing agreements allow access to resources which are fully exploited, or even over-exploited, as in the case of Senegal and Mauritania. The same fate could befall Asia's tuna population (bluefin, bigeye, skipjack – all threatened), and most especially the population of its local fishers, under an agreement with the EU. Though the EU may not use the same FPA instrument with ASEAN, an agreement on fisheries will none the less come from the same template; that is, favorable to the EU.

1 See, for example, Sharon Lafraniere, "Europe takes Africa's fish, and boatloads of migrants followed", *New York Times*, 14 January 2008. http://www.nytimes.com/2008/01/14/world/africa/14fishing.html?_r=1

Exporting the EU's overfishing problem

The EU is partly to blame for overfishing world fish stocks; it ranks among those with the largest fishing fleets – 90,000 of the world's 1.3 million decked vessels. It is estimated that about 80% of all species in EU territorial waters are overfished. Spain and the UK lead in the number of foreign fleets outside Europe. Some estimates suggest that about 60% of fish landed in the EU come from outside its territorial waters.

For years, the EU has tried to enforce a quota on its fish catch and to cut its active fleets. However, government subsidies in the form of "exit grants" extended to vessel owners to facilitate this are instead mostly used by EU countries to pay for fishing access elsewhere rather than cut its fleets.⁹ In fact, government subsidies – estimated at US\$15–20 billion per year – account for nearly 20% of revenues to the fishing industry worldwide, promoting excess capacity and encouraging overfishing.¹⁰ Through fisheries partnership agreements (FPAs), EU fleets can pay for fishing access to other countries' territorial waters and exploit their marine resources with practically no limit. Not only does this give the EU's huge market a constant supply of fish, it also keeps its industrial fishing fleets active. An association of Spanish fishing companies considers payment for access to be the key to preserving the economic vitality of the EU's fishing industry. In essence, FPAs simply export the EU's overfishing problem elsewhere.

The EU has signed more than 20 bilateral fishing agreements, mostly in Africa, but also in the

Caribbean and the Pacific. Partners include, among others, Mauritania, Senegal, Morocco, Nigeria, Gabon, Cape Verde, Seychelles, Solomon Islands, Micronesia.¹¹

Fisherfolk groups in the Philippines are wary of the entire FTA with the EU. The *Kilusang Mangingisda* (Fisherfolk Movement–Philippines) believes that European countries would be able to gain access to and exploit the marine resources of the Philippines and the whole of south-east Asia through the FTA.

"If European fishing boats gain access to Philippine and ASEAN marine waters, it would only intensify overfishing and the damage to fishery stocks, given the lack of a common set of fishing regulations and policies on a regional level. Without a common fisheries policy in ASEAN, EU fishing boats could operate in its waters virtually without restrictions", according to the group.¹² They claim that highly migratory species such as tuna, mackerel and sardines, commonly found in the waters of ASEAN countries, will be vulnerable to overfishing. Tuna and mackerel are among the most caught species in the world.

Another group, *PAMALAKAYA* (National Federation of Small Fisherfolk in the Philippines), sees this as worse than the controversial Japan–Philippines Economic Partnership Agreement (JPEPA). Under the JPEPA, Philippine marine resources will be opened completely to Japanese companies, leading to more overfishing, which would have a heavy impact on the small fishers. "If JPEPA is nightmare, the Philippines–EU

9 Béatrice Gorez, "Policy Study: EU–ACP Fisheries Agreements", Coalition for Fair Fisheries Arrangements, March 2005. <http://tinyurl.com/l84dv>

10 World Ocean Network, Fact sheet on global production of fisheries and aquaculture, Ocean Info Pack. <http://tinyurl.com/nt8rnw>

11 Béatrice Gorez, "Policy Study: EU–ACP Fisheries Agreements", Coalition for Fair Fisheries Arrangements, March 2005. <http://tinyurl.com/l84dv>

12 bilaterals.org, "RP fishers buck EU–ASEAN free trade deal", <http://tinyurl.com/nz3fc7>



partnership and co-operation pact is an across-the-nation tragedy that will soon hit this nation of impoverished and starving people. The real agenda of EU in orchestrating this biggest sell-out of the century is to pass the burden of their economic and global crisis to the downtrodden people of countries like the Philippines”, says the group.¹³

A hotbed for corporate profits

Big fishing companies are positioned to reap profits under the FTAs not only from capture fisheries. With fish stocks falling throughout the world's oceans, the tide is moving towards aquaculture, a practice traditionally operated on a small scale by local fishers. Over the years the global fish trade has transformed aquaculture into a huge industry. It is now considered to be the world's fastest-growing food-producing sector. Aquaculture accounts for about half of global fish food, with 53 million tons produced in 2007, worth US\$75 billion.¹⁴ The industry is dominated by a few vertically integrated companies, those from the EU among the biggest.

A recent communication from the European Commission outlines the EU's direction in global aquaculture.¹⁵ The Commission sees the future of the EU's aquaculture industry in covering “the whole supply chain including both high-value and innovative products, which meet the

Table 2: The largest global seafood companies in Europe and Asia today

Europe	Asia
Marine Harvest Group (Norway)	Nippon Suisan Kaisha Ltd (Japan)
Austevoll Seafood ASA (Norway)	China Fishery Group (China)
Cermaq ASA (Norway)	Thai Union Frozen Prod. Pub. (Thailand)
Leroy Seafood Group ASA (Norway)	Maruha Group Inc. (Japan)
Pescanova SA (Spain)	Pacific Andes Intl Holdg Ltd (China)
Alfesca (Iceland)	Sea Horse Corp Pub. Co. Ltd (Thailand)
BioMar Holding A/S (Denmark)	Kyokuyo Co. Ltd (Japan)
Aker Seafoods ASA (Norway)	Uoriki Co. Ltd (Japan)
Icelandic Group hf (Iceland)	Chuo Gyorui Co. Ltd (Japan)
Nireus Aquaculture (Greece)	

Source: *Glitnir*

needs of consumers in the EU and abroad, and the production of high-standard equipment for aquaculture businesses”. It also argues for the EU to invest in the global market by selling its technologies and know-how in order to help tackle the challenges of sustainability and safety.

But while aquaculture is projected to take pressure off the world's oceans, we should note that it is also increasingly contributing to their demise. The rapid expansion of farming shrimp, salmon and other carnivorous high-value species such as cod, sea bass, and tuna has increasingly diverted fish catch into industrial feed rather than food for people. This comes into direct conflict with local food security, as it takes 2–5 kg of wild-caught fish, processed into fish meal and fish oil for feed, to produce a single kilogram of farmed fishmeal.¹⁶ In 2006, the aquaculture sector consumed an estimated 23.8 million tonnes of small pelagic fish in the form of feed inputs (about 26% of total world catch from capture fisheries), including 3.72 million tonnes used to make fish meal, 0.83 million tonnes to make fish oil used in compounded aquafeeds, and an additional 7.2 million tonnes of low value/trash fish as direct feed or in farm-made aquafeeds.¹⁷

Table 2 shows the largest seafood companies currently, which are poised to have greater advantage over their smaller competitors. These companies are behind some of the most extensive and extractive fishing activities around the globe.

In order to maximise profits, these companies buy out smaller companies in order to usher tighter control by few corporate players in the industry. An FTA fits perfectly into this scheme as it offers opportunity to outsource production to other countries and to integrate its different stages



Photo: GRAIN

Thailand is the world's largest farmed shrimp exporter

13 “Anti-FTA group sees [€]10-million European food aid to Manila as grease money for rapid OK of RP-EU pact”, *The Pamalakaya Times*. <http://tinyurl.com/myhluj>

14 Globe Fish, “Globalisation and the Dynamic of International Fish Trade”, PowerPoint presentation, 2008. <http://tinyurl.com/mtmbj7>

15 European Commission, “Building a sustainable future for aquaculture: A new impetus for the Strategy for the Sustainable Development of European Aquaculture”, April 2009. <http://tinyurl.com/mbzlij>

16 “Effects of Aquaculture on World Fish Supplies”, *Issues in Ecology*, Vol. 8, Winter 2001. <http://tinyurl.com/nmz8sb>

17 Albert G.J. Tacon and Marc Metian, “Fishing for Aquaculture: Non-Food Use of Small Pelagic Forage Fish – A Global Perspective”, in *Reviews in Fisheries Science*, Vol. 17, No. 3, January 2009. <http://tinyurl.com/lokakf>





18 "Domstein, Cermaq, and Fjord Seafood merger to create new company", Quick Frozen Foods International, April 2002, cited in *The Free Library*.
<http://tinyurl.com/nwzbec>

19 "Pescanova acquires Pesquera Vasco Gallega", Quick Frozen Foods International, April 2002, cited in *The Free Library*.
<http://tinyurl.com/mmtgg5>

20 Fish Information and Services (FIS), "Pescanova Opens Processing Plant in Nicaragua", 25 November 2008.
<http://tinyurl.com/lnl5v9>

21 Wright Reports, "China Fishery Group Limited – Company Profile Snapshot".
<http://tinyurl.com/n6g9yn>

22 Google Finance, "China Fishery Group Limited", 2009.
<http://tinyurl.com/mjyh4>

23 Funding Universe, "Nippon Suisan Kaisha Limited", based on 1990 source.
<http://tinyurl.com/lhpssn>

24 Greenpeace, *Trading away our oceans*, January 2007.
<http://tinyurl.com/lqbhpa>

25 Based on personal visits to towns in Phang Nga bay, southern Thailand, and conversations with local fishers, December 2007.

26 "Chaos and Order in Viet Nam's Seafood Sector", April 2009.
<http://tinyurl.com/kj7j3a>

– farming, processing and distribution. A large proportion of Scotland's fish farms are now owned by the massive multinational corporation Marine Harvest, the world's largest aquaculture company and producer of other animal foodstuffs. It is now part of the Norwegian–Dutch multinational Nutreco. At the same time, a merger among Norwegian fishing groups – Cermaq will own 60% of the new company, Fjord Seafood will pick up the remaining 40%, Domstein has a 26% stake in Fjord – is aimed at creating the second-largest salmon farming operation in the world (after Nutreco). The merger is predicted to corner 12% of the global salmon farming market and 40% of the salmon feed market.¹⁸

While some merge to create bigger companies, others are content to buy out quotas. Spain's Pescanova has bought out trawler company Pesquera Vasco Gallega for the hake quota in Argentina that comes with the company's two boats, which work the hake fishery off Argentina. The acquisition is part of Pescanova's expansion strategy that started with the takeover of Pescafina, a company that was ailing financially but had access to Cuban fisheries.¹⁹ Pescanova also owned Argentine trawler operator Argenova, which has 12 ships fishing for prawn, patagonian toothfish and squid. Last year, Pescanova additionally acquired Novahonduras SA for €5 million, for shrimp aquaculture in Honduras. Pescanova is one of the biggest players in aquaculture, with investments in Spain (shrimp), Chile (salmon), Brazil (tilapia), Portugal (turbot), and Nicaragua (shrimp), among others.²⁰

Meanwhile, Asia's second largest company, the China Fishery Group Ltd, typifies how a vertically integrated company maximises its profits. Through its subsidiaries, the company operates as a global, integrated industrial fishing company. Its fishing operation comprises fishing, sale of fish and marine catches, and rental of unutilised fishing quota, as well as fishmeal and fish oil production. Its sales in 2008 were worth US\$3.2 billion,²¹ which is more than a third of the value of China's total fish exports. As of last year, it has acquired Epesca Pisco SAC, Pesquera Ofelia SRL and Pesquera Mistral SAC; it owns a Peruvian fleet of 39 purse-seine fishing vessels and eight fishmeal processing plants.²²

When it was established in 1920, Nippon Suisan Kaisha (Nissui), the harvester of Japan's and the world's largest fishing haul, was the country's first private-sector research institution devoted to the study of marine life. In order to broaden the company's line of marine products and reach new markets, Nissui began to enter into joint ventures

with foreign companies during the 1970s, starting with companies in Indonesia, Spain, Chile, and Argentina. Now it has subsidiaries in practically every part of the world. While the company describes itself as a "vertically integrated marine-based food company", it also produces, processes, and markets agricultural and livestock products and has developed a line of pharmaceuticals.²³

A sea of irony

But while the big companies are reaping enormous profits from their operation, what's left for the small fishers are nothing but empty coasts and barren seas.

Thailand may be the world's largest exporter of farmed shrimp, but shrimp aquaculture has driven the country's massive conversion of productive agricultural lands (previously devoted to rice paddies), and is the primary cause of its coastal pollution.²⁴ The toll also extends to loss of biodiversity and food security. In southern Thailand, around Phang Nga bay, local residents have observed that local shrimp species used for making the shrimp paste that is part of their food culture has disappeared since the introduction of Pacific whiteleg shrimp, which is being promoted by the agribusiness giant Charoen Pokphand for shrimp farming.²⁵

At the same time, fishing activities in at least four provinces around Phang Nga bay are undergoing "restructuring" under the Coastal Habitats and Resource Management (CHARM) Project, implemented by the Department of Marine and Coastal Resources with the financial backing of the European Union. The project includes establishing a fish market network and mobilising production for export, under a highly regimented system. The number of fishers per area is regulated, and they have to register to be part of the fish market network; one can no longer just fish and sell the fish unless one is part of the network. Phang Nga residents say that this simply adds another layer of control over Thai small-scale fishers.

Vietnam poses an interesting paradox. Although it is the world's eighth-largest seafood exporter, with export earnings of US\$4.27 billion in 2008 (up from US\$ 3.75 billion in 2007), its seafood sector is currently a shambles, as it has suffered from oversupply and shortages at the same time.²⁶ The boom in Vietnam's seafood industry has reportedly triggered an enormous amount of poorly regulated fish breeding, so that processors could not guarantee to absorb the whole output, despite the spread of modern processing establishments.

As a consequence, many fish farmers have gone bankrupt, and an estimated 40% of catfish-breeding ponds are now abandoned in the Mekong delta region. Though there was a recent rise in catfish prices, not many farmers wanted to go back. Many fish farmers, including shrimp growers who have suffered a series of poor harvests, ended up selling their land to pay off loans. Vietnam's seafood exports are likely to drop by 15–20 per cent in 2009 alone, according to the Vietnamese Association of Seafood Exporters and Producers.

Indonesia's marine resources may be among the richest, but they are exploited by foreign vessels almost at will. The Fisheries and Maritime Affairs Ministry estimates that Indonesia loses around US\$3.2 billion a year to poachers from Thailand, China and the Philippines.²⁷ A state policy in 2007 extends private sector concessions (including to foreign entities) on coastal areas and small islands of Indonesia to more than 20 years, which could further legitimise overfishing by foreign commercial interests.

It is not only the seas that are seized. A national programme to industrialise shrimp ponds over the period 2006–13, financed by Asian Development Bank to the tune of US\$30 million, has been wreaking havoc on wetlands and coastal communities. The loss of wetland ecosystems and mangrove forest for pond activities has been linked to flooding in 12,000 villages.²⁸ Expansion of shrimp farms in Lampung led to a scarcity of fish along the coast, forcing local fishermen out to the open sea, which in turn cost them more in fuel. In the end, they simply had to give up fishing because earnings hardly covered operational costs.

Throughout Asia the trend is the same. Cambodia's fish stocks are dwindling, affecting the food security of fishing communities that depend on them. Bangladesh, fast becoming the shrimp capital of the world, is fraught by the displacement of local communities and consequent violence. Thousands of fishers in Malaysia have suffered a big drop in catch due to the increase in aquaculture ponds



Fishing boats among other craft in the harbour at the Basque port of Lekeitio

being set up along that country's coast. These are the realities that form the backdrop to the FTA that ASEAN wants to negotiate with the EU, and there is no sign that they will improve in the near future. The recent suspension of negotiations might be timely, not just for both parties to stand back, but especially for ASEAN governments to ponder the FTA's merits.

Stop the FTA, defend the small fishers

The increase in global fish trade has been the main trigger of the global decline of fish stocks. Further liberalisation of fisheries to increase trade is therefore misplaced, as it could simply lead to overfishing and ultimately to global fisheries collapse. The prospective profits are huge, but with the continuing consolidation in the fishery industry, the prosperity is likely to flow into the coffers of a few big companies. This will be at the expense of the many small, artisanal fishers who continue to depend on an invaluable but fast-disappearing marine biodiversity. As they lose the coasts, the small fishers also lose their livelihoods and any remaining options for the future.

This trend must be reversed. There is still time to act together – fishers, farmers, everyone – and put a stop to an EU–ASEAN FTA. The suspension of negotiations presents an opportunity to hammer nails into its coffin. A multitude of alternatives in managing resources and promoting trade exists within the fishing communities. But unless they are defended against the onslaught of big companies, they have no chance of surviving.

27 Rendi Akhmad Witalar, "State income from fishing drops", *Jakarta Post*, February 2008. <http://tinyurl.com/nmblna>

28 From a joint statement of NGOs and Fisher Mass Organisation towards Government Performances for Four Years In Fishery and Marine Sector. <http://tinyurl.com/14lp43>



GOING FURTHER

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