



27 June 2019

(19-4336)

Page: 1/17

Committee on Subsidies and Countervailing Measures

Original: English

SUBSIDIES

NEW AND FULL NOTIFICATION PURSUANT TO ARTICLE XVI:1 OF THE GATT 1994 AND ARTICLE 25 OF THE AGREEMENT ON SUBSIDIES AND COUNTERVAILING MEASURES

AUSTRALIA

The following communication, dated 26 June 2019, is being circulated at the request of the delegation of Australia.

Australia notes the importance of submitting information on fisheries subsidies as an integral part of the current WTO fisheries subsidies negotiations and recalls the re-commitment made by Members in the Ministerial Decision of 13 December 2017 to implementing existing subsidy notification obligations.

In order to fulfil this commitment, noting the deadline set out in document, as well as to provide the necessary information as part of the negotiations, Australia is submitting a fisheries subsidies notification in advance of its complete new and full subsidies notification. This fisheries subsidies notification provides details on federal programs and state/territory programs for financial years **2017/18** (the financial year being from 1 July to 30 June) **and the period 1 July to 31 December 2018**. Australia will submit a further new and full 2019 subsidy notification later this year which will include updated information on fisheries subsidies for the period 2017/18 and 2018/19.

Programs are included for the sake of transparency and without prejudice to the legal status, effects or nature of the measures under the WTO Agreement.

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FEDERAL PROGRAMMES

A. FISHERIES RESEARCH AND DEVELOPMENT CORPORATION INVESTMENT FUNDING

1. Title of the subsidy

Fisheries research, development and extension project funding.

2. Period covered by the notification

Financial years 2017/18 and 2018/2019 1 July to 31 December 2018.

3. Policy objective and/or purpose of the subsidy

The FRDC's vision is for Australia to have vibrant fishing and aquaculture sectors which adopt world class research to achieve sustainability and prosperity with the planned outcome to increase economic, social and environmental benefits for Australian fishing and aquaculture, and the wider community by investing in knowledge, innovation and marketing.

4. Background and authority for the subsidy

FRDC is a statutory corporation within the Australian Government's Agriculture and Water Resources portfolio and is accountable to the Parliament of Australia through the Minister for Agriculture and Water Resources. Revenue for RD&E investment is based on a co-funding model between the Australian Government and the commercial fishing and aquaculture industries. The Corporation was formed on 2 July 1991 and operates under two key pieces of legislation the *Primary Industries Research and Development Act 1989* (PIRD Act) and the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). The PIRD Act permits funding and administration of research and development relating to primary industries with a view to:

- i. increasing the economic, environmental and social benefits to members of primary industries and to the community in general by improving the production, processing, storage, transport or marketing of the products of primary industries; and
- ii. achieving the sustainable use and sustainable management of natural resources; and
- iii. making more effective use of the resources and skills of the community in general and the scientific community in particular; and
- iv. supporting the development of scientific and technical capacity; and
- v. developing the adoptive capacity of primary producers; and
- vi. improving accountability for expenditure on research and development activities in relation to primary industries.

5. Form of the subsidy

Grants. An application for funding is submitted to the FRDC with a comprehensive assessment process undertaken on these applications prior to the approval of funding. Projects receive funding to undertake a specific research activity through milestone reports that are monitored by the FRDC.

6. To whom and how the subsidy is provided

Priorities for projects are set by the state/territory and commonwealth jurisdictions via research advisory committees as well as industry groups managed through industry partnership agreements. Funding is provided through a project funding agreement between the FRDC and the applicant/research partner organisation who are selected through open and contestable public funding rounds and at times select tender processes.

Recipients range from research institutions and universities, to businesses and individuals and relate to aquaculture, commercial, indigenous, post-harvest and recreational fishing activities.

7. Level of subsidy per unit

RD&E projects vary in both their timeframe and budget and can range from several thousand Australian dollars to over AUD 1 million. In-kind contributions are also provided by the applicant and third parties in amounts similar to the FRDCs contribution.

The FRDC invested AUD 25.99 million in project expenditure in 493 active projects in the 2017/18 financial year and AUD 12.98 million in project expenditure in 389 active projects during the period 1 July – 31 December 2018.

8. Duration

Ongoing. Each year the FRDC fund research projects which have an average duration of three years but can range anywhere between several months to five years.

9. Statistical data permitting an assessment of the trade effects

No statistical data permitting an assessment of trade effects is available.

B. FISHERIES ASSISTANCE AND USER ENGAGEMENT PACKAGE

1. Title of subsidy

Fisheries Assistance and User Engagement Package

2. Period covered by the notification

Financial years 2017/18 and 2018/2019.

3. Policy objective and/or purpose of the subsidy

Five new Australian Marine Park management plans covering 44 Australian Marine Parks came into effect on 1 July 2018. These management plans set out how the marine parks will be managed over the next 10 years including through zoning arrangements that both protect Australia's marine environment and support Australia's sustainable commercial fishing sector. The new management plans have significantly reduced the impacts on commercial fishers but the package is designed to provide assistance to those commercial fishers directly affected by the new management arrangements.

The Package provides:

- i. Fishing Business Assistance Grants – assistance to affected commercial fishers with a recent history of fishing in Australian Marine Parks as they adjust their business to the new operating environment.
- ii. Marine Parks Grants – to help marine users and industries engage in marine park management. The first round of the element of the package closed on 12 March 2019. The second round will open in the second half of 2019.
- iii. Vessel Monitoring System Assistance – support to encourage uptake of vessel monitoring systems. This element is being progressed through Parks Australia and fisheries management agencies.
- iv. Coral Sea Fishery Licence Buy-out – direct assistance to commercial fishers holding either trawl or trap endorsements in the Commonwealth managed Coral Sea Fishery through a voluntary licence buy-back based on the closure of 99.8 per cent of the fishery to these methods.

4. Background and authority for the subsidy

The package is funded and managed through the Department of the Environment and Energy. Australian Marine Parks are Commonwealth reserves in Commonwealth marine areas declared under section 344 of the *Environment Protection and Biodiversity Conservation Act 1999*. The Director of National Parks manages Australian Marine Parks.

5. Form of the subsidy

One-off Grants.

6. To whom and how the subsidy is provided

Fishers/licence holders eligible to operate in one or more of the affected Australian Marine Parks.

Fishing Business Assistance Grants – Grants were provided to eligible fishers/licence holders with a history of operating in one or more of the affected Australian Marine Parks that are now closed to their operations.

Our Marine Parks Grants – Grants provided to eligible fishing organisations under Round One. Grants will be open to a wider range of marine park users in Round Two.

7. Level of subsidy per unit

In 2018/19:

- Approximately \$9.4 million was provided to eligible fishers as part of Fishing Business Assistance Grants in 2018/19.

- In total twelve projects worth AUD 5 million will be funded under this first round of the Marine Parks Grants over two years (2018/20). Approximately AUD 2 million will be expended on the projects in 2018/19, with the remaining AUD 3 million committed in 2019/20.

8. Duration of the subsidy

2018/22.

9. Statistical data permitting an assessment of the trade effects

No statistical data permitting an assessment of trade effects is available.

SUB-FEDERAL PROGRAMMES

NEW SOUTH WALES

A. COMMERCIAL FISHERIES BUSINESS ADJUSTMENT PROGRAM (BAP)

1. Title of the subsidy

Commercial Fisheries Business Adjustment Program (BAP).

2. Period covered by the notification

Financial year 2017/18 and 1 July to 31 December 2018.

3. Policy objective and/or purpose of the subsidy

The NSW Government's Commercial Fisheries Business Adjustment Program (BAP) introduced linkages between shares and catch or effort, giving fishers the ability to invest in their business with more certainty than ever before, and ensuring the long-term viability and sustainability of the NSW commercial fishing industry.

The Reform followed an Independent Review of Commercial Fisheries Policy, Management and Administration, recommendations by an Independent Structural Adjustment Committee, and announcement by the Minister of the reforms.

A range of assistance measures were put in place during implementation of the BAP, designed to assist the commercial fishing industry to manage restructure impacts. Assistance measures were made available to fishers exiting the industry and for fishers who remain in the industry to expand their operations and improve business viability.

The purpose of the above subsidies and grants were to offset the impact of the various stages of the Commercial Fisheries Business Adjustment Program (BAP) by:

- Assisting fishers to either exit the industry, purchase new shares, seek independent advice or obtain retraining, and assisting nominated fishers to establish themselves.
- Easing the burden of commercial fishery management fees & fishing boat licence fees during the BAP period.
- Assisting Fishing Cooperatives to adjust to changes in the industry by extending & subsidising leases on Crown Land.
- Promoting best practice, improving social licence with the broader community, and upskilling of commercial fishers.

Specifically, assistance measures including the following:

- AUD 20,000 fishing business buyouts (per business) extended through 2017/18 as part of the Governments AUD 16 million Adjustment Subsidy Program (subsidised share trading market which was implemented in 2016/17).
- AUD 2 million low interest loans for eligible fishers (nominated fishers and commercial fishing business owners) requiring assistance to purchase shares (up to AUD 80,000 per business)
- Access to a maximum of AUD 10,000 for retraining for those choosing to exit the industry (capped at AUD 500,000).
- Professional advice grants of up to AUD1,000 for individual fishers and eligible nominated fishers to access independent legal & financial advice to inform business planning.
- Cap on management fees, delaying any increase to management fees above the Consumer Price Index (CPI) until July 2018, followed by capping future increases at 6%/yr above CPI.
- Application fee for paper-based fishing business transfers waived.
- Removal of licensing fees for some commercial fishing boats - July 2018.
- Fishing Cooperative Advice grants.
- Standard long-term lease terms for Cooperatives located on Crown Land.
- Rental subsidies for Cooperatives on Crown Land, to the value of AUD 2.3 million over two years to 30 June 2018.
- Aboriginal fisher fee waivers.
- Subsidised management fees (lack of full cost recovery).
- OceanWatch Australia Master Fisherman Program.

4. Background and authority for the subsidy

The Commercial Fishing Business Adjustment Program (BAP) was initiated in 2012, and final reform and assistance measures were approved in 2016. Implementation of the reform and assistance measures has followed, with the final share linkage reforms to commence 1 July 2019.

The AUD 16 million Adjustment Subsidy Program (ASP) and AUD 20,000 (per fishing business) fishing business buyouts were approved and included NSW Government funding and AUD 2 million from the Commercial Fishing Trust Fund. Fishers were paid the AUD 16 million in 2016/17, providing assistance to exit the industry or invest in subsidised shares to remain, and additional assistance measures were available throughout 2017/18 and 2018/19.

Section 236 of the *Fisheries Management Act 1994* (the Act) specifies that commercial fishing fees are to be paid into the Commercial Fishing Trust Fund. Section 233 of the Act provides that "money in a trust fund is under the control of the Minister and can be expended by the Minister only for the purposes authorised by this Division".

Section 236 of the Act sets out what may be paid out of that fund, including:

- a. the costs of taking measures to enhance, maintain or protect the effective management of commercial fishing, and
- b. the costs of carrying out research into commercial fishing, and
- c. the costs of management and administration of commercial fishing, and

- d. the costs of ensuring compliance with commercial fishing regulatory controls, and
- e. the costs of consultative arrangements with commercial fishers.

The Department provided a range of assistance measures during 2017/18 and 2018/19 from the Commercial Fishing Trust Fund, including:

- low interest rate loans (for shareholders and nominated fishers (capped at AUD 2 million),
- independent financial advice grants (AUD 1,000 per person capped at AUD 500,000),
- retraining assistance (AUD 10,000 per person capped at AUD 500,000),
- fishing cooperatives advice grants (AUD 30,000 per cooperative, capped at AUD 450,000).

The NSW Rural Assistance Authority (RAA) managed the administration and financial component of the loans and grants on behalf of the Department of Primary Industries - NSW Fisheries.

Under section 288B of the Act, the Minister may waive, postpone or refund payment of all or part of any fee, charge, rental payment or contribution payable under the Act or the regulations, if the Minister considers it is appropriate to do so.

NSW also undertook the capping of management fees, the waiving of application fees and removal of mandatory boat licence fees.

NSW also approved funding to the OceanWatch Master Fisherman Program (AUD 200,000 *per annum*) with funding provided by NSW Treasury under an existing Commercial Fisheries New Policy Proposal (funding request).

OceanWatch Australia developed the Master Fisherman program in direct response from industry and reflected that no existing or similar program was available. The program was supported by funding from OceanWatch Australia and the NSW and Australian governments through the Fisheries Research & Development Corporation (FRDC) following support from NSW DPI Fisheries.

Regarding rent relief for fishing cooperatives located on Crown Land, the NSW Government granted concessions at 100% of rent value to fishing cooperatives with Crown Land leases for two years to 30 June 2018. Crown Lands forwent the revenue of AUD 2.3 million over two years.

5. Form of the subsidy

Grants, low interest rate loans and fee waivers.

Fishing Cooperatives Assistance

A one-off grant payment of up to AUD 30,000 was made available for specialist business advice to assist Fishing Cooperatives that anticipated or experienced changes in membership and/or throughput as a result of the implementation of the Commercial Fisheries Business Adjustment Program. Payment was made as reimbursement upon production of receipts. A 50% waiver on rent for 12 cooperatives located on Crown Land was also approved for 2 years to assist.

Business (Financial & Legal) Advice

A grant up to AUD 1000 was made available to assist NSW commercial fisheries shareholders (shareholders) with the cost of seeking independent professional financial or legal advice regarding their business operation within the new share linkage and management arrangements (up to AUD 2000 if fishers choose both financial and legal advice), paid as reimbursement upon production of receipts.

Business Buyout Grants

Fixed payments (*ex gratia* payments) of up to AUD 20,000 were available to shareholders who chose to sell or surrender all of their shares, allowing the fishing business to be cancelled. This gave business owners options to consolidate or sell all of their shares from a fishing business and have their business cancelled.

Re-training Assistance

A grant up to AUD 10,000 was made available to assist with retraining of commercial fishing operators who chose to exit the industry. The grant covered course fees, travel to and from course locations, as well as meals and accommodation during course attendance.

Low Interest Loans

Loans up to a maximum of AUD 80,000 were available to eligible commercial fishing shareholders, or eligible nominated fishers, at a fixed interest rate of 2.5% over a maximum term of 12 years. The first two years were an interest only period. Loans were provided as a 'Line of Credit.'

Loans were only available for the purchase of certain additional species or effort quota shares as relevant to the reform program.

Fee Waivers

A range of fee waivers were provided to assist fishers potentially impacted by the Commercial Fisheries Business Adjustment Program, including a) mortgage registration fee waiver for low interest loans with the Rural Assistance Authority, b) Boat licence renewal fee waivers, c) Share transfer fee waivers, d) some management fee waivers including part fee waivers/discounts for Aboriginal fishers who met certain criteria.

Subsidised management fees

In the absence of cost recovery, it could be said that a proportion of the management charges/annual contributions and fees for services relating to the management of commercial fisheries are subsidised by the Government. In the absence of cost recovery and without detailed analysis the value of such a subsidy, it is difficult to determine the overall value.

In 2014/15 it was estimated that share management charges were set at a level relating to approximately 40% recovery overall. Since that time a cap has been set on such fees, excluding CPI, as approved by the Minister.

Ocean Watch Master Fisherman Program

A grant was provided to OceanWatch Australia to expand the Master Fisherman Program, via a Funding Deed, with the objective of:

- increasing participation of NSW commercial fishers,
- including additional training accreditation components to further upskill NSW commercial fishers,
- promoting best practice, and
- improving industry's social licence with the broader community.

The program priorities include people development and the improvement of industry's profile amongst the community, matters that have been highlighted as requiring significant attention in the NSW Upper House Inquiry into Commercial fishing in NSW and other community surveys. The Program is delivered at no cost to commercial fishers.

6. To whom and how the subsidy is provided

Assistance measures were made available to NSW commercial fishers directly affected by the NSW Commercial Fisheries Business Adjustment Program during the various stages of the program.

These fishers were primarily those in the five share managed fisheries, being the Estuary General Fishery, Ocean Trap & Line Fishery, Ocean Haul Fishery, Ocean Trawl Fishery, Estuary Prawn Trawl Fishery.

Grants and loans were subject to application and were approved or denied according to strict criteria as specified in policy and managed by the Rural Assistance Authority on behalf of the Department of Primary Industries (DPI) - Fisheries. Criteria also applied to eligible NSW Fishing Cooperatives regarding advice grants and fee waivers.

As indicated above, the Master Fishermen Program grant funds were provided to OceanWatch Australia to expand their existing program, to deliver NSW Government priorities on behalf of DPI - Fisheries.

7. Level of subsidy per unit

Low Interest Loans

- Up to AUD 80,000 per shareholder or eligible fisher (capped at AUD 2 million).
- 1 July 2017 to 30 June 2018 = 8 approved, totalling AUD 445,535 dispersed.
- 1 July 2018 to 9 June 2019 = NIL.
- TOTAL in Low Interest Loans = AUD 445,535.

Fishing Business Buyouts

- AUD 20,000 per fishing business.
- 1 July 2017 to 30 June 2018 = 30 approved, totalling AUD 527,845.61 disbursed*.
- 1 July 2018 to 9 June 2019 = NIL.
- TOTAL in Fishing Business Buyouts = AUD 527,846.

*Note that the amount dispersed is following the payment of outstanding fees from *ex gratia* payments. The in principle total for 2017/18 = AUD 600,000.

Fishing Cooperatives Assistance

- One-off payment of up to AUD 30,000 for specialist advice per Cooperative (capped at AUD 450,000).
- 50% waiver on rent for 12 Cooperatives located on Crown Land for 2 years to 30 June 2018.
- 1 July 2017 to 30 June 2018 = 7 approved payments, totalling AUD 188,863.64 disbursed (payment based on receipts).
- 1 July 2018 to 9 June 2019 = NIL.
- TOTAL in Fishing Coop Advice Grants = AUD 188,864.
- TOTAL in forgone revenue by Crown Lands = AUD 2.3 million.

Business (Financial & Legal) Advice

- Up to AUD1000 for independent advice from accountant/financial or legal advisor.
- 1 July 2017 to 30 June 2018 = 94 approved, totalling AUD 82,912.93 disbursed.
- 1 July 2018 to 9 June 2019 = 4 approved, totalling AUD3,686 disbursed.
- TOTAL in Business Advice Grants = AUD 86,599.
- Re-training Assistance
- Up to AUD 10,000 to assist with retraining those exiting the industry (capped at AUD 500,000).
- 1 July 2017 to 30 June 2018 = 3 approved, totalling AUD 12,696.77 disbursed.
- 1 July 2018 to 9 June 2019 = 1 pending, totalling AUD 0 disbursed.
- TOTAL in Retraining Assistance = AUD 12,697.

General Fee Waiver (all share managed commercial fishers)

- Mortgage registration fee waiver for low interest loans with RAA = 100 applicants, total value of AUD 54,690.
- Boat licence renewal fee waiver = 3682 applicants, total value of AUD 726,876.
- Share transfer waiver = 381 applicants, total value of AUD 118,638.
- Management fee waivers: 2017/18 = AUD 1,247 and 2018/19 = AUD 6,854.
- TOTAL in Fee Waivers = AUD 908,305.

Fee Waiver for Aboriginal Fishers

- 10% off Fishing Business management fees if certain criteria were met, in addition to a standard \$100 discount for each FB.
- 2017/18 = 23 eligible businesses. No figures on discount. Community contribution waiver \$100 per business = AUD 2,300.
- 2018/19 = 24 eligible businesses. AUD 7,118 in discounts & AUD 2,400 in community contributions.
- TOTAL Aboriginal Fisher Fee Waivers = AUD 11,818.

Subsidised management fees

For the purposes of providing a reasonable estimate in the baseline subsidy information the following was considered: a) that the management and licence fees for shared managed fishers in 2017/18 generated a revenue of approximately \$2.7mil, and b) that approximately 30-40% of costs may have been recovered (noting again, that a detailed analysis of costs has not been undertaken, and that NSW is lacking a cost recovery policy).

On this basis, it may be that the Commercial Fishing industry was subsidised by an estimated AUD 4 - 6.3 million in 2017/18, and half of this again in the first half of 2018 (AUD 2 - 3.15 million).

TOTAL subsidised fees estimate = AUD 6 million – AUD 9.4 million.

Ocean Watch Master Fisherman Program

- Direct negotiation of Funding Deed with OceanWatch Australia to deliver an expanded Master Fishermen Program on behalf of NSW Government.
- Total AUD 200,000 per year over 4 years commencing 2017/18.
- TOTAL grant to Master Fisherman Program = AUD 300,000.

TOTAL of all subsidies and grants (2017/18 and 2018) = AUD10,781,664 - AUD14,181,664*

*Note that the AUD 16 million Adjustment Subsidy Program has not been included in this total as it was paid by the Rural Assistance Authority to fishers during 2016/17. Note also that the foregone rent to be collected by Crown Lands is included in this total. This is a separate budget to that of Fisheries NSW. Also note that the total expenditure/value of subsidies is provided as a range given the estimated range of the subsidised fees charged to fishers in the form of share fishery management fees and charges.

8. Duration

The Commercial Fisheries Business Adjustment Program has been implemented over several years, since 2012, with the final stages of completion set for 1 July 2019. The range of assistance measures offered to fishers during this time will not continue beyond the extent of the reform period. The assistance measures outlined above were specific to 2017/18 and the first half of 2018.

However, the OceanWatch Master Fishermen Program, and other seafood promotion grants (AUD 1 million recently announced to be spent over 2018/19 and 19/20) will continue beyond 2018/19. Additionally, until the NSW Government moves to full cost recovery for the management of its fisheries, fishers will continue to be subsidised to some extent by discounted management fees and charges.

9. Statistical data permitting an assessment of the trade effects

No statistical data permitting an assessment of trade effects is available.

B. AQUACULTURE DEBT WAIVER

1. Title of the subsidy

Aquaculture Debt waiver – due to financial hardship caused by a natural disaster or disease event

2. Period covered by the notification

Financial years 2017/18 and 2018/2019

3. Policy objective and/or purpose of the subsidy

To provide bona-fide aquaculture businesses that are impacted by a natural disaster or disease event with short term (12 months) relief from NSW DPI aquaculture permit and lease fees and charges.

4. Background and authority for the subsidy

Aquaculture Debt and Fee Waiver Policy (AQP001) defines the circumstances under which aquaculture related fees may be waived under s.288B of the *Fisheries Management Act 1994*.

5. Form of the subsidy

Waiver of annual fees.

6. To whom and how the subsidy is provided

To aquaculture permit holders who meet policy and assessment criteria (majority of income derived from the aquaculture business, monies available, forecast income).

7. Level of subsidy per unit

Annual fees and charges. This varies between the size of businesses and can range from a minimum of AUD 700 to several thousand dollars.

During 2017/18 and 2018/19 there was only one debt waiver approved for a land-based aquaculture permit holder impacted by drought.

8. Duration

12 months.

9. Statistical data permitting an assessment of the trade effects

No statistical data permitting an assessment of trade effects is available.

QUEENSLAND

A. VESSEL TRACKING REBATE SCHEME

1. Title of Subsidy

Vessel Tracking Rebate Scheme.

2. Period covered by the notification

Financial year 2017/18 and 1 July to 31 December 2018.

3. Policy objective and/or purpose of the subsidy

The Queensland Sustainable Fisheries Strategy 2017-2027 outlines a ten-year reform agenda for the sustainable management of Queensland fisheries. As part of this strategy, vessel tracking capability will be required on all commercial fishing boats by 2020, with units to be installed on net, line and crab commercial fishing boats by 1 January 2019.

The Vessel Tracking Rebate Scheme offsets the costs incurred by commercial fishers to purchase and have installed approved vessel tracking units on their fishing boats.

4. Background and authority for the subsidy

The Vessel Tracking Policy and Vessel Tracking Guidelines, Vessel Tracking Guideline, the *Fisheries Act 1994* and *Fisheries Regulation 2008* outline the requirement for vessel tracking on commercial fishing boats as committed to under the Sustainable Fisheries Strategy 2017 -2027. The Scheme is administered by the Queensland Rural and Industry Development Authority (QRIDA).

5. Form of the subsidy

Cash rebate. The purchase rebate amount of an approved vessel tracking unit is up to a maximum of AUD 300 or AUD 750 (depending on the type of unit) and the rebate for installation is up to a maximum of AUD 220.

6. To whom and how the subsidy is provided

The rebate is specific to all permanent holders of commercial fishing boat licences, commercial harvest fishery licences or charter fishing licences. The number of units and installation rebates fishers are entitled to are dependent on the fishery endorsements listed on their licence.

The applicant must provide evidence of unit purchase and installation to QRIDA in addition to a paper or electronic application specifying the licenses the rebate is being claimed for.

7. Level of subsidy per unit

The Scheme allocates up to AUD 3 million to assist fishers for the purchase and installation costs associated with implementing vessel tracking.

8. Duration of the subsidy

The Scheme opened on 30 August 2018 and will close to applications on 31 December 2020.

9. Statistical data permitting an assessment of the trade effects

No statistical data permitting an assessment of trade effects is available.

TASMANIA

A. PACIFIC OYSTER MORTALITY SYNDROME RECOVERY CONCESSIONAL LOAN SCHEME

1. Title of Subsidy

Pacific Oyster Mortality Syndrome (POMS) Recovery Concessional Loan Scheme.

2. Period covered by the notification

Financial year 2017/18 and 1 July to 31 December 2018. [Scheme ceased 1 May 2018.]

3. Policy objective and/or purpose of the subsidy

The POMS Recovery Concessional Loan Scheme is an initiative of the Tasmanian Government providing low interest loans to oyster growers, nurseries and hatcheries that have been affected by POMS, as indicated by the Department of Primary Industries, Parks, Water and Environment.

The Loan Scheme, announced by the Minister for Primary Industries and Water on 4 April 2016, provided a loan pool of up to AUD 5 million to offer loans ranging from AUD 30,000 to AUD 250 000.

4. Background and authority for the subsidy

The Loan Scheme is in response to an outbreak of POMS at several oyster farms in Tasmania during January 2016.

5. Form of the subsidy

Low interest rate loan.

6. To whom and how the subsidy is provided

To eligible Tasmanian oyster farmers and hatcheries.

7. Level of subsidy per unit

Funding provided during 2017/18 financial year and the period 1 July to 31 December 2018 is summarised in the following table.

Expenditure	No. of Firms	Industry Sector
AUD 250 000	1	Oyster farmers
Nil	Nil	Oyster farmers

8. Duration of the subsidy

The Loan Scheme was opened from April 2016 until December 2016. It was reopened in April 2017 and remained open until 1 May 2018. [One loan for AUD240,000 has not yet been drawn down due to delays in being able to meet one of its approval conditions.]

9. Statistical data permitting an assessment of the trade effects

No statistical data permitting an assessment of trade effects is available.

B. ABALONE INDUSTRY REINVESTMENT FUND

1. Title of Subsidy

Abalone Industry Reinvestment Fund.

2. Period covered by the notification

Financial year 2017/18 and 1 July to 31 December 2018. [Note the fund was established in July 2018.]

3. Policy objective and/or purpose of the subsidy

The broad objectives of the Abalone Industry Reinvestment Fund are to support and increase the sustainability and productivity of the abalone fishery both biologically and economically. The fund will support projects to reduce the long spined sea urchin population of the East Coast of Tasmania. It will also support projects to increase abalone stock rates, including larval seeding.

4. Background and authority for the subsidy

The fund is administered by a committee consisting of members from the Tasmanian Abalone Council, the Tasmanian Department of Primary Industries, Parks, Water and Environment and the Institute for Marine and Antarctic Studies.

5. Form of the subsidy

The Fund was established by diverting a portion of existing royalties to provide support for industry-led projects that assist in maintaining and enhancing the sustainability and value of the abalone fishery.

6. To whom and how the subsidy is provided

Applicants may be individuals, community organisations, research institutes, local government or industry representatives.

7. Level of subsidy per unit

AUD 5.1 million over 5 years. [Note the fund was established in July 2018.]

Quantum of funds valued at 1% of GVP (about AUD 750,000) are expected to flow into the AIRF from August 2018 for the 2018/19 financial year. This quantum will increase to 1.5% of GVP for the 2019/2020 year and to 2% for each of the 2020/2021 and 2021/22 years.

8. Duration of the subsidy

Five years from 2018-19 to 2022-23.

9. Statistical data permitting an assessment of the trade effects

No statistical data permitting an assessment of trade effects is available.

C. ABALONE INDUSTRY DEVELOPMENT TRUST FUND

1. Title of Subsidy

Abalone Industry Development Trust Fund.

2. Period covered by the notification

Financial year 2017/18 and 1 July to 31 December 2018.

3. Policy objective and/or purpose of the subsidy

For industry development projects to assist with developing new markets, respond to changes in the world market over recent years, leverage additional resource sustainability funding from national research funding bodies, undertake further economic analysis and increase the value of the catch.

4. Background and authority for the subsidy

Announced in the 2015 State Budget, in response to changes in the world market.

5. Form of the subsidy

Grant funding to the Tasmanian Abalone Council Ltd.

6. To whom and how the subsidy is provided

Trust deed to the Tasmanian Abalone Council Ltd.

7. Level of subsidy per unit

AUD 0.2 million *per annum* from 2015/16.

8. Duration of the subsidy

Initially four years from 2015/16 to 2018/19. Funding extended in 2018 State Budget for another four years.

9. Statistical data permitting an assessment of the trade effects

No statistical data permitting an assessment of trade effects is available.

D. SHELLMAP

1. Title of Subsidy

ShellMAP (Market Access Program).

2. Period covered by the notification

Financial year 2017/18 and 1 July to 31 December 2018.

3. Policy objective and/or purpose of the subsidy

ShellMAP's Industry Development (Market Access) component will ensure that innovation and best practice is fostered and implemented, so that the industry retains its competitive edge in the world's market.

4. Background and authority for the subsidy

Announced in the 2018 State Budget. ShellMAP operates under a Partnership Agreement between the Tasmanian Government, Oysters Tasmania and the Tasmanian Seafood Industry Council (TSIC). The program has three components: Regulatory Services, Industry Development (Market Access) and Operational Services.

5. Form of the subsidy

Project funding.

6. To whom and how the subsidy is provided

The Tasmanian Department of Primary Industries, Parks, Water and Environment will partner with the oyster and shellfish industry to coordinate industry development. Funding is provided for projects proposed by Oysters Tasmania to improve the capacity of the oyster industry to manage market access programs.

7. Level of subsidy per unit

AUD 0.4 million over four years from 2018/19.

8. Duration of the subsidy

Four years from 2018/19.

9. Statistical data permitting an assessment of the trade effects

No statistical data permitting an assessment of trade effects is available.

WESTERN AUSTRALIA

A. MARINE STEWARDSHIP COUNCIL CERTIFICATION

1. Title of subsidy

Marine Stewardship Council certification.

2. Period covered by the notification

Financial years 2018/19 and 2019/20.

3. Policy objective and/or purpose of the subsidy

To demonstrate WA fisheries are fished and managed sustainably, and to enhance/maintain market access for WA commercial fisheries. Specifically, to fund the cost of WA's commercial fisheries (wild fishery harvest) achieving the Marine Stewardship Council environmental standard and to provide for policy, compliance and research support for the assessments.

4. Background and authority for the subsidy

Changing worldwide trends of increasing environmental concern about the state of fisheries and the potential impact of market access led the WA Government in 2012 to facilitate independent third party certification of WA's commercial fisheries. AUD14.5 million was allocated for the project. Out of the AUD 14.5 million, AUD 6.5 million over the four years funded the cost of Conformity Assessment Bodies (CABs) undertaking the Marine Stewardship Council assessments.

5. Form of the subsidy

Government funds the full cost of the independent Conformity Assessment Bodies (CABs) undertaking the pre-assessment, full assessment and first annual surveillance audit. Subsequently industry must fully fund the surveillance audits in years 2 - 4 and the 5 year re-assessment and on-going annual surveillance costs.

6. To whom and how the subsidy is provided

For pre-assessments, the subsidy was provided to the CAB on the approval of the Department. Pre-assessments were completed for all fisheries. Full assessments require support of the fishery rights holders, that the fishery is considered a high priority for certification, and that the Department has the resources available to support the assessment/audit.

For full-assessments and the first annual surveillance audit, the subsidy is paid to the CAB undertaking the assessment by the State Government on behalf of the fishery client. All payments to the CAB require the approval of the fishery client and the Department.

7. Level of subsidy per unit

Subsidies for pre-assessments and fishery full assessments vary with the size and complexity of the fishery/fisheries and its management, but generally range from AUD 50,000 to AUD 150,000.

Subsidies for the first annual surveillance audit range from AUD 10,000 to AUD 20,000.

To date, the funds paid to CABs to undertake the assessments (pre and full assessments) and two aquaculture stewardship pre-assessments are given below:

FY Year	Contracted funds
2012/2013	AUD 129,600.00
2013/2014	AUD 195,350.00
2014/2015	AUD 317,367.26
2015/2016	AUD 417,828.67
2016/2017	AUD 342,983.99
2017/2018	AUD 68,461.25
2018/2019	AUD 195,597.13
Grand Total	AUD 1,667,188.30

8. Duration of the subsidy

Financial years 2012/2013 to 2019/20

9. Statistical data permitting an assessment of the trade effects

No statistical data permitting an assessment of trade effects is available.