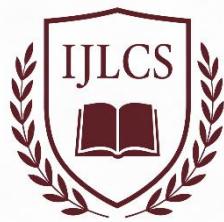


ARTICLE

From Market Shield to Ocean Stewardship: Rethinking EU Trade Remedies and Subsidy Control in the Blue Economy

Kolawole Afuwape*



Abstract

This paper reconsiders the trade remedies and subsidy control regimes of the European Union (EU) through the lens of “ocean stewardship”. It claims the EU's economic instruments exhibit a profound normative shift from the role of shield for defensive market regulation to sustainability governance in a proactive form. Historically the function of trade remedies and state aid disciplines has been to provide a shield for market stability, with competitive neutrality and counteracting unfair behaviour at the cornerstone of their objectives. However, under the developing framework of the European Green Deal, the Blue Economy Strategy, and the Trade and Sustainable Development (TSD) agenda, the emphasis of these instruments, or their application, has increasingly pivoted toward ecological responsibility and conservation of the oceans. This study contextualizes the EU trade and subsidy control regimes within a broader regime of normative power, where fairness in economics, environmental integrity, and governance of the ocean is constitutive rather than separate policy arenas. This normative reassessment of the regimes presents a unique instance of “sustainable market governance” and positions the EU as the global standard setter to promote climate justice and protect the oceans through trade regulation. However, this paper also questions the possible tensions of this approach and highlights the risks of green protectionism, extraterritoriality, and fragmentation between trade and environmental regimes. It notes that the EU's legitimacy as a leader depends on developing a coherent, transparent, and collaborative governance approach that balances competitiveness and stewardship while embedding sustainability into the principles of international economic order. Ultimately, the paper develops a critical vision of how trade defence and subsidy control, once vehicles of market insulation, can become regulatory conduits for ocean sustainability and global environmental governance.

Keywords - European Green Deal; EU Trade Policy; Ocean Stewardship; Sustainable Marine Governance; Subsidy Control

I. INTRODUCTION

The trade remedies and subsidy control regimes of the European Union have traditionally been market protection tools, which are meant to protect the domestic industries against unfair competition by use of anti-dumping duties, countervailing duties, and safeguard actions.¹ These

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¹ Trapp, P. (2022). The Objectives of EU Competition Law and Trade Defence Law. In: The European Union's Trade Defence Modernisation Package. European Yearbook of International Economic Law, vol 23. Springer, Cham. https://doi.org/10.1007/978-3-030-91363-2_4

measures result in fair competition and integrity on the market and are codified in Council Regulation (EU) 2016/1036 (Anti-Dumping) and Council Regulation (EU) 2016/1037 (Countervailing Measures) and are based on the WTO Anti-Dumping and SCM Agreements.² In a similar vein, subsidy control, which is regulated by Articles 107-109 TFEU, but is now enhanced by the EU Foreign Subsidy Regulation (2022), also does not allow the distorting financial contribution of subsidies to be made against the Single Market.³

This traditional economic structure has been changed with the recent developments in international environmental law and EU policy. Fisheries, aquaculture, shipping, offshore renewable energy, and marine biotechnology have become a strategic sector at the interface of economic growth, ecological stewardship, and global competitiveness, and are known as the blue economy.⁴ Sustainability aims are increasingly being pursued in EU law in terms of trade remedies and subsidy control, in commitments to the United Nations Convention on the Laws of the Sea (UNCLOS), the Paris Agreement, and the Convention on Biological Diversity, and the 2022 WTO Fisheries Subsidies Agreement, which in effect forbids subsidies that lead to overfishing in overexploited stocks.⁵ The convergence poses an underlying question: how can the EU integrate market protection and sustainability requirements in managing the blue economy? The doctrinal and operational tension is the one. The trade remedies and subsidy controls would have to navigate between the legal systems of the EU internal market, the WTO commitments, and the international environmental standards and targets, and encourage sustainable economic operations in ocean-based sectors.

An examination of the problem exposes the difficulties as well as opportunities. The EU law should be doctrinally aligned to protect the market and the environment, and sustainable and internationally accountable, and operationally, it needs to have a strong verification and monitoring system. Examples of fisheries subsidies, shipping decarbonization, and offshore renewable energy case studies show the empirical challenges of making trade remedies and subsidy control compatible with ecological requirements.

The system of the trade law of the EU is experiencing a paradigm shift: the giving of tools of normative leadership in ocean stewardship is replacing the instruments aimed exclusively at economic protection. With the inclusion of sustainability in trade remedies and subsidy disciplines, the EU is taking a step to prove that it can find ways to harmonize economic, environmental, and legal requirements and promote a consistent and proactive view of the blue

² Weihuan Zhou, Xiaomeng Qu, Confronting the ‘Non-Market Economy’ Treatment: The Evolving World Trade Organization Jurisprudence on Anti-Dumping and China’s Recent Practices, *Journal of International Dispute Settlement*, Volume 13, Issue 3, September 2022, Pages 510–531, <https://doi.org/10.1093/jnlids/idac007>

³ Weiß, W., & Furculita, C. (2024). The Foreign Subsidies Regulation: The way forward to competitive equality and extraterritoriality of EU competition law? In H. Pohl, J. Warchol, T. Papadopoulos, & J. Wiesenthal (Eds.), *Open strategic autonomy in EU trade policy: Assessing the turn to stronger enforcement and more robust interest representation* (pp. 326–368). Cambridge University Press. <https://doi.org/10.1017/9781009196529.013>

⁴ Akinsete, E., Papadaki, L., & Koundouri, P. (2025). Multi-actor forums to advance a sustainable blue economy: Blue transitions in the Black Sea (No. 2541). Athens University of Economics and Business. Retrieved from <https://wpa.deos.aueb.gr/docs/2025.Multi.Actor.Forums.to.Advance.Sustainable.Blue.Economy.pdf>

⁵ McLaughlin, C., Lothian, S., & Lindley, J. (2024). Maritime justice, environmental crime prevention, and Sustainable Development Goal 14. *Ocean and Society*, 1(1), Article 8768. <https://doi.org/10.17645/oas.8768>

economy.⁶ This background makes the current research the basis of the critical analysis of the doctrinal, practical, and policy aspects of harmonizing EU trade and subsidy law and the marine sustainability goals.

The main argument of this paper is that the EU's conventional trade remedies and subsidy control mechanisms originally created as market protectors should be recalibrated to promote ocean stewardship to fit the emerging blue economy's environmental, economic, and social objectives. The paper argues that the EU's current trade tools, including anti-dumping, countervailing duties, and state aid, stem from historical, industrial-based approaches that emphasize competitive neutrality and domestic market protection. However, they now exist in a changed global environment where marine resources, sustainable fisheries, and ocean-based industries are central priorities for a resilient EU green Deal and global climate targets.

The paper posits that applying traditional market adjustment tools to ocean-based industries without environmental and sustainability norms will sustain resource exploitation and create or sustain a carbon-intensive economy. Thus, the shift away from a "market shield" system and toward an "ocean stewardship" system needs to occur. This means collaborating blue economy outcomes such as marine biodiversity conservation, low-carbon transformations, and socially-just coastal communities within the EU's trade and subsidy governance.

The paper also argues that reconceiving EU trade assistance from a sustainability perspective demands three mutually supportive transformations: (1) redefining injury and benefit in trade law to take on ecological and social externalities; (2) introducing blue sustainability indicators into state aid and subsidy assessments; and (3) strengthening coherence between EU trade law, environmental law, and international ocean governance frameworks such as UNCLOS, WTO Fisheries Subsidies Agreement, and in relation to the European Green Deal.

⁶ Bai, J., & Wu, Y. (2024). How can the rule of law under the WTO framework ensure sustainable fishery governance through fishery subsidies? A study from the perspective of special and differential treatment. *Heliyon*, 10(1), e23259. <https://doi.org/10.1016/j.heliyon.2023.e23259>

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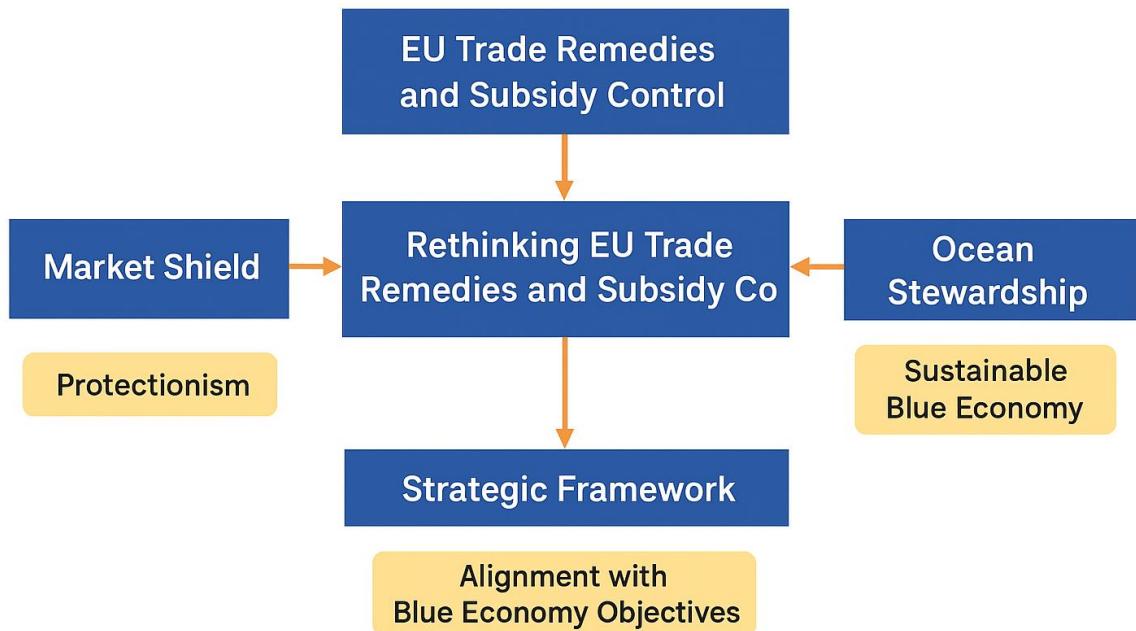


Figure 1: Theoretical and Conceptual Framework

II. SUBSTANTIVE AND NORMATIVE ANALYSIS

At its essence, this paper makes the case that the EU trade defence and trade policy instruments (for example, dumping duties, countervailing measures, and subsidies) may be transformed from a means of protectionism to a means of environmental stewardship.⁷ Historically they have primarily focused on protecting EU industry from an injury perspective of unfair competition or distortions of markets. In a blue economy context, which includes ocean-based industries and the sustainability agenda, they can be adjusted to internalize environmental and social costs. From a sustainability perspective this rethinking fundamentally challenges how we define and think of “injury,” “benefit,” and “public interest” are perceived and defined in trade law. Instead of just viewing examples of environmental degradation, over-fishing, carbon emissions, and loss of marine biodiversity as injury with economic consequences. Thus, sustainable practices such as low-carbon innovation, circular marine production, and conservation-based entrepreneurship, that warrant protection and incentivizing. Moving away from sanctions for injurious instabilities, this

⁷ Troh, C. P. (2024). Sweden’s Role and Compliance with European Union Trade Defence Mechanisms-A Legal Analysis of Anti-Dumping Measures and World Trade Organization Disputes.

normative categorization would transform trade remedies into policy mechanisms that incentivize and value sustainability.

The EU's policy architecture is changing, driven by the European Green Deal, the Blue Economy Strategy, and recent reforms to state aid and carbon border adjustment measures.⁸ These developments demonstrate how trade and environmental law can come together. The EU has shown, for example, that trade defence instruments can be used to support systemic ecological transition, not just as a barrier to trade liberalization, by embedding sustainability criteria into subsidy control⁹ (e.g., reducing harmful fisheries subsidies while promoting green technologies).

III. TRADE REMEDIES AND SUBSIDY CONTROL IN EU AND WTO LAW

Overview and scope

The core of a classical confrontation in international economic law is a wish to guarantee the integrity of the market and a level playing field, and the sovereign freedom of states to seek industrial, social, or environmental policy goals using fiscal measures.¹⁰ This tension has, since the late twentieth century, been made complex by the global sustainability agenda. Ocean health, marine biodiversity, and the so-called blue economy form new conditions, where subsidies and remedies are not only economic tools, but also tools with far-reaching effects on the environment.¹¹ The legal problem is thus promotional (how to interpret/adjust EU, WTO, and treaty text) and implemented.¹²

History and purposes of EU trade-defence instruments.

The EU trade remedies were written to apply in the external relations of the Union. GATT/WTO provisions on unfair trade.¹³ The Anti-Dumping Agreement is a realization of Article VI GATT and establishes procedures and substantive tests on anti-dumping duties; the SCM (Subsidies and Countervailing Measures) Agreement is a regulation of subsidies and countervailing actions against them.¹⁴ The WTO disciplines are operationalized at the EU level through Union Regulations, where the principal regulation is Council Regulation (EU) 2016/1036 on protection against dumped imports and Council Regulation (EU) 2016/1037 on protection against subsidized

⁸ Cuadros-Casanova, I., Cristiano, A., Biancolini, D., Cimatti, M., Sessa, A. A., Mendez Angarita, V. Y., ... & Di Marco, M. (2023). Opportunities and challenges for Common Agricultural Policy reform to support the European Green Deal. *Conservation Biology*, 37(3), e14052.

⁹ Erixon, F., Guinea, O., Lamprecht, P., Sharma, V., & Zilli Montero, R. (2022). The new wave of defensive trade policy measures in the European Union: Design, structure, and trade effects.

¹⁰ Slawotsky, J. Conceptualizing National Security in an Era of Great Power Rivalry: Implications for International Economic Law. *East Asia* 42, 279–307 (2025). <https://doi.org/10.1007/s12140-024-09434-y>

¹¹ Cordova, M., Fertig, M. B., & Hahn, I. S. (2025). Impacts of global supply chains on ocean health and mitigation practices: A systematic literature review. *Cleaner Logistics and Supply Chain*, 15, 100228. <https://doi.org/10.1016/j.clsn.2025.100228>

¹² Zafar, A. (2025). Protectionism, power, and the erosion of WTO discipline: Legal and economic lessons from the trade wars. *Social Sciences & Humanities Open*, 12, 101983.

¹³ Victor Crochet, Trade Defence Instruments: A New Tool for the European Union's Extractivism, *European Journal of International Law*, Volume 33, Issue 2, May 2022, Pages 381–410, <https://doi.org/10.1093/ejil/chac024>

¹⁴ Bernard M Hoekman, Petros C Mavroidis, Sunayana Sasmal, Managing Externalities in the WTO: The Agreement On Fisheries Subsidies, *Journal of International Economic Law*, Volume 26, Issue 2, June 2023, Pages 266–284, <https://doi.org/10.1093/jiel/jgad008>

imports provide the formulas of remedies as well as the procedures and the evidentiary tests of the investigations to be conducted by the Commission and Member States.¹⁵

This study reconceptualizes the EU trade remedies, and state aid rule through this environmental-economic connection. Historically, these tools and measures were meant to provide a safety net for domestic sectors from unfair competitive practices driven by simply commercials. However, the EU's principle of integration and the site more broadly of the Green Deal requires just this realignment: where trade and subsidy governance internalizes environmental costs and positively supports marine sustainability.¹⁶ The EU's ban on harmful fisheries subsidies and conditional approval on green state aid have signaled an effort to shift a focus from a strictly economic objective to a more ecological intention via the state's own Guidelines on State Aid for Climate, Environmental Protection, and Energy.¹⁷ Trade remedies can similarly be aligned with sustainability criteria or consider that environmental degradation and/or depletion of resources are essentially forms of 'unfair advantage', therefore expanding the notion of 'injury' to include ecological injury.¹⁸

Goals and dogmatic restrictions.

The three aspects of the objectives laid down in the canons are (i) to discourage and correct harmful, unfair competition, (ii) to maintain the integrity of the internal market, and (iii) to implement measures in a manner that is WTO-consistent (i.e., proportionate, grounded in evidence, non-discriminatory). The tools of the EU are thus a complex of technical economic tests (dumping margins, injury causation, subsidy benefit) and procedural safeguards, which should survive the challenges of WTO dispute settlement.¹⁹ Ideally, the EU's trade remedy regime plays a distributive (sheltering domestic industry) and normative (implementing fair trade) role.²⁰

WTO subsidy and fisheries disciplines (such as the 2022 Fisheries Subsidies Agreement)

According to the WTO SCM Agreement, a subsidy is governmental financial aid that provides a benefit (Article 1) and subsidies (prohibited, actionable, specific).²¹ It specifies the remedial instruments one can use to cure Members (countervailing duties, consultations, and dispute settlement) and provides restrictions as to how much government assistance could be used to

¹⁵ Long, S. (2024). WTO Era Non-Market Economy Treatment Rules and Practices. In: Rationality and Legality of Non-market Economy Treatment in Antidumping Law . Modern China and International Economic Law. Springer, Singapore. https://doi.org/10.1007/978-981-99-8292-9_5

¹⁶ Earsom, J. (2025). Making waves or ripples? The influence of the European Green Deal on the revised IMO GHG strategy. International Environmental Agreements: Politics, Law and Economics, 1-16.

¹⁷ European Commission, EU welcomes entry into force of WTO Agreement on Fisheries Subsidies, 15 September 2025 (accessed on 13 November 2025 via: https://ec.europa.eu/commission/presscorner/detail/en/mex_25_2096)

¹⁸ Zhao, X. (2025). Potential Trade Rules and Policies of the Sustainable Development Club. In: Integrating the UN SDGs into WTO Law. European Yearbook of International Economic Law(), vol 41. Springer, Cham. https://doi.org/10.1007/978-3-031-73876-0_9

¹⁹ Liu, S. (2025). The Amended EU Anti-Dumping Rules on Injury and Remedies: Has the Function of Anti-Dumping Changed?. Journal of World Trade, 59(3).

²⁰ Boschiero, N., & Silingardi, S. (2023). The EU Trade Agenda—Rules on State Intervention in the Market. German Law Journal, 24(1), 151-178.

²¹ Nagy, C. I. (2021). Foreign subsidies, distortions and acquisitions: Can the playing field be levelled? Central European Journal of Comparative Law, 2(1), 147–162. <https://doi.org/10.47078/2021.1.147-162>

prevent trade-distorting outcomes.²² Thus, the Agreement is the main multilateral tool that limits the use of subsidies by states in such a way that it distorts international trade.

Article XX jurisdiction space and environmental dimensions.

General exceptions of WTO (Article XX GATT), more so, in sub-paragraph (g) on conservation of exhaustible natural resources, have historically offered a legal loophole to Members to be able to justify otherwise WTO inconsistent environmental action.²³ Appellate Body and panels (e.g., Shrimp-Turtle, Brazil - Retreaded Tyres) have gone on to establish a jurisprudence that allows conservation-oriented measures provided they meet the chapeau and are not a masqueraded restriction.²⁴ The present jurisprudence applies in cases in which trade remedies or subsidy regulations overlap with environmental objectives, and interventions aimed at protecting marine life can be justified by Article XX.

E. Critical commentary and Analysis.

Friction in doctrine SCM vs. TFEU/FSR.

One of the fundamental doctrinal conflicts is between the normative logic of the subsidy law of the WTO and the internal law of the EU. The SCM is concerned with trade distortion, remedies.²⁵ Article 107 TFEU is concerned with intra-EU competition and compatibility. The FSR has now superimposed extraterritorial control that reaches the support of foreign states. This practically establishes three interactive regimes, including (i) the WTO multilateral constraints (including an express environmental Fisheries Agreement), (ii) the internal state-aid compatibility doctrine in the EU (capable of condoning the environmental purpose), and (iii) enforcement of the Commission against distorting foreign subsidies. It is legally complex to coordinate these regimes, particularly when a subsidy is promoted towards an environmental goal (e.g., benefits on offshore renewables).

Normative opportunity and legal risk.

The EU is especially well placed to internalize sustainability into its trade-defence policy. The CJEU jurisprudence has allowed the use of environmental considerations in compatibility tests²⁶; the Foreign Subsidies Regulation (FSR) has allowed the Commission to enforce distortive foreign support using the Fisheries Agreement of the WTO²⁷; and the sustainability-based subsidy discipline is multilaterally acceptable.²⁸

²² Marteli Fais Feriato, J. (2024). Strategies for political-economic use of subsidies in the multilateral framework. In Legal, Political and Economic Strategies of Subsidies within the World Trade Organization (pp. 131–182). Springer Nature Switzerland. https://doi.org/10.1007/978-3-031-73869-2_4

²³ Fang, M. M. (2022). When decarbonization meets industrialization: The first WTO dispute between the EU and UK. *Virginia Journal of International Law*, 63(2), 165–207. <https://doi.org/10.2139/ssrn.4327936>

²⁴ WTO, DS58: United States — Import Prohibition of Certain Shrimp and Shrimp Products (accessed on 23 September 2025 via: https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds58_e.htm)

²⁵ KOULEN, M. (2025). ARE WTO RULES ON SUBSIDIES AND COUNTERVAILING MEASURES REFORMABLE?: An Overview of the Main Issues Raised in Debates on the SCM Agreement. *Journal of International Trade & Arbitration Law/Uluslararası Ticaret ve Tahkim Hukuku Dergisi*, 14(1).

²⁶ Krämer, L. (2023). The Jurisprudence of the European Courts between April and June 2023. *Journal for European Environmental & Planning Law*, 20(3-4), 365-371.

²⁷ Auld, K., Del Savio, L., & Feris, L. (2025). An Environmental Agreement in a Trade Court—Is the WTO's Agreement on Fisheries Subsidies Enforceable?. *World Trade Review*, 24(1), 25-49.

²⁸ Cima, E., & Esty, D. C. (2024). Making international trade work for sustainable development: toward a new WTO framework for subsidies. *Journal of International Economic Law*, 27(1), 1-17.

Trade remedies and subsidy control are ceasing to be merely an instrument of market defence, and are becoming an instrument of environmental control, as well as strategic industrial policy.²⁹ The Fisheries Subsidies Agreement of the WTO institutionalizes the environmental turn of the multilateral level³⁰; the FSR of the EU and the case law that is emerging based on Article 107 TFEU operationalizes a unique European model that tries to bind the market integrity with sustainability.³¹ The doctrinal challenge, and the policy challenge, will be to come up with investigative, evidentiary, and remedial standards that are not only WTO-conformant but also strong enough to discourage harmful subsidies, as well as to encourage sustainable blue-economy practices without teetering on disguised protectionism. It is the balancing act that the EU could take.

The EU legal infrastructure builds on and, in some ways, goes beyond WTO norms by incorporating environmental principles in Articles 11 and 191 of the TFEU. EU measures for trade remedies, anti-dumping, anti-subsidy, and safeguard measures have typically reflected WTO standards but are now increasingly affected by the European Green Deal, EU Sustainable Trade Policy, and Blue Economy Strategy.³² State aid and subsidy control will also begin to incorporate sustainability conditions permitting environmentally brown subsidies and removing potentially harmful subsidies, especially in fisheries, maritime transport, and renewable marine energy.³³ This sequence denotes the EU's shift from market protection to a mode of stewardship-oriented governance in trade.

IV. THE BLUE ECONOMY AND MARINE CONSERVATION IN EU LAW

A. *The meaning of the Blue Economy: Sectors and Scope.*

The Blue economy includes the economic and international activities associated with the sea, oceans, and coastal areas, committed to the sustainable development of the area without interfering with marine ecosystems.³⁴ This is conceptually applicable in both traditional industries of fisheries, shipping, and coastal tourism, and in new businesses, such as offshore renewable energy, marine biotechnology, and aquaculture, in the EU. These industries help in having economic growth, employment, and innovations in the coastal and marine areas.

B. *EU Sustainability Obligations: Art. 3(5) and 21 TEU.*

Article 3(5) of the Treaty on European Union (TEU) requires that the EU should strive to ensure the sustainable development of the Earth to enhance environmental protection and combat climate change.³⁵ Article 21 TEU also encompasses this commitment, whereby the EU is established to

²⁹ Grossman, G. M., & Sykes, A. O. (2025). Industrial Policy and Subsidies: Assessment of Current Rules and Possible Reforms. *Journal of World Trade*, 59(4).

³⁰ Hoekman, B. M., Mavroidis, P. C., & Sasmal, S. (2023). Managing externalities in the WTO: the agreement on fisheries subsidies. *Journal of International Economic Law*, 26(2), 266-284.

³¹ EU Commission. (2023). Foreign Subsidies Regulation: rules to ensure fair and open EU markets enter into force.

³² Karageorgou, V. V. (2023). The environmental integration principle in EU law: Normative content and functions also in light of new developments, such as the European Green Deal. *European Papers-A Journal on Law and Integration*, 2023(1), 159-189.

³³ Steenblik, R. (2023). Addressing environmentally harmful subsidies using trade rules: a historical perspective. In *The Elgar Companion to the World Trade Organization* (pp. 551-573). Edward Elgar Publishing.

³⁴ Eriega, O.J., Eyo, V.O., Sam, K., Joseph, A.P. (2025). Marine Pollution and Its Impacts on the Blue Economy. In: Leal Filho, W., Salvia, A.L., Eustachio, J.P.P., Dinis, M.A.P. (eds) *Handbook of Sustainable Blue Economy*. Springer, Cham. https://doi.org/10.1007/978-3-031-32671-4_89-1

³⁵ Sulyok, K. (2025). Future proofing EU law—Does the European Union have a legal obligation to protect future generations?. *Review of European, Comparative & International Environmental Law*.

be able to build relations with third nations and international organizations to enhance sustainable development and ensure the preservation of natural resources.³⁶ These clauses form the foundation of the external activities of the EU, such as the maritime policies and international activities.

C. UNCLOS and International Obligations on Marine Biodiversity.

The UNCLOS is the main international law that regulates the utilization and protection of marine resources.³⁷ It sets rules on how oceans and seas should be managed in a way that balances the rights of the coastal states and the requirement to collaborate globally. According to UNCLOS, the EU has undertaken international agreements to preserve marine biodiversity, such as the Convention on Biological Diversity and the Convention on International Trade in Endangered Species of Wild Fauna and Flora.³⁸

D. The Advocate General Opinion and Court Judgment.

Within the framework of the Blue Economy and environmental conservation, the CJEU has dealt with the intersection of the two in several rulings.³⁹ In other cases, involving state support of maritime industries, the Advocate General has suggested that such support should be in line with the EU environmental goals, which would not allow the economic activities to harm marine conservation. The Court has supported these views and stressed the notion that economic growth in the Blue Economy must be in line with the sustainability undertakings in the EU.⁴⁰

E. Analysis and Commentary

The conceptual consistency between the Blue Economy and Marine Conservation in EU Law is found within the evolution of EU legal and policy frameworks that have transitioned from endorsing sectoral maritime growth to institutionalizing sustainability as a foundational principle of ocean governance. The Blue Economy, presented in the EU Blue Growth Strategy and reiterated under the European Green Deal, acknowledges the ocean as a lever of economic development by means of fisheries, shipping, aquaculture, coastal tourism and marine biotechnology. However, the EU law, particularly under TFEU Articles 11, 191, and 192, imposes the requirement that such a scheme of economic activity must respect and restore marine ecosystems.⁴¹ This paper enshrines the principles of sustainable development goals (SDG), precautions, and integration of environmental objectives. Therefore, a commitment to both economic productivity and ecological management establishes the normative basis which is to reposition EU trade remedies as a form of sustainability and not simply defence of the internal market.

³⁶ Reid, E. (2025). The evolving environment-trade nexus in the EU and WTO: building blocks of a just transition?. *Journal of Environmental Policy & Planning*, 1-18.

³⁷ Wang, C., Zhao, Q., & Chang, Y. C. (2023). On the legal status of marine fishery resources: From the perspectives of international fishery law. *Heliyon*, 9(4).

³⁸ Hoek, N. (2022). A critical analysis of the proposed EU regulation on nature restoration: have the problems been resolved?. *European energy and environmental law review*, 31(5).

³⁹ Suárez, J. (2023). Could rights of nature be overlapping, redundant and conflicting regarding existing environmental protection? An overview of four selected European domestic law frameworks. *Journal of Environmental Law*, 91, 17.

⁴⁰ Spenger, C., Saldivia Gonzatti, I., Kröger, L., Fleet, C. R., Voss, R., & Rickels, W. (2024). Strong versus weak sustainable development in the blue economy: a study of 15 EU coastal countries. *npj Ocean Sustainability*, 3(1), 48.

⁴¹ Špelić, I., & Mihelić-Bogdanić, A. (2024). EU Environmental Protection in Regard to Sustainable Development: Myth or Reality?. *Standards*, 4(4), 176-195.

V. TENSIONS BETWEEN MARKET PROTECTION AND OCEAN STEWARDSHIP

The changing dynamics between trade defence policies and environmental sustainability is a complex issue under international law and policy.⁴² Although, the Trade Defence Instruments (TDIs) are used to protect domestic industries against unfair competition, its use in the environmentally sensitive sectors may unintentionally run counter to global sustainability goals.⁴³ This discussion explores these tensions and how market protection and ocean stewardship can be considered in the context of EU law, the agreement of the WTO, and the international conventions, including the UNCLOS.

a. *Trade Defence Measures vs. Ecological Sustainability Goals.*

Anti-dumping, anti-subsidy measures, and others are all TDIs that aim at protecting the EU industries against unfair trade practices.⁴⁴ Though their use in other industries, such as fisheries, shipping, and offshore wind energy, can have unintended ecological effects. As an example, fishing capacity-enhancing subsidies could be against the goals of the WTO Agreement on Fisheries Subsidies, which aims at ending subsidies that lead to overfishing and overcapacity. Likewise, trade defence in the shipping sector will act as an obstacle to the decarbonization of maritime transport, which is contrary to the aims of the EU Green Deal.⁴⁵

b. *The Peril of Regulatory Fragmentation: WTO, UNCLOS, and EU Law.*

The presence of various legal regimes, such as the WTO, UNCLOS, and EU law, may contribute to the problem of fragmentation of regulations, making it difficult to implement consistent policies.⁴⁶ Although, the UNCLOS offers a detailed approach to conservation of the ocean, its terms and conditions can conflict with WTO regulations, especially with subsidies and trade restrictions aspects.⁴⁷ The EU internal policies, e.g., the Common Fisheries Policy, will have to navigate through these complexities to balance between the trade and environmental goals. The controversies that come because of such regulatory overlap drive the need to have combined strategies that harmonize trade interests in line with ocean stewardship. In the maritime industries regarding state aid, the Advocate General has given an opinion that the aid should support the environmental interests of the EU, so that the economic activities will not be against the marine conservation programmes.⁴⁸ These views have been maintained by the Court, which strengthens the idea that economic growth must be in line with sustainability obligations.

This paper posits that EU trade remedies and subsidy control frameworks must be adapted to reduce, not amplify, this tension. By incorporating ecological considerations including carbon intensity, biodiversity implications, and sustainability standards into the measuring of “injury,”

⁴² Berebon, C. (2025). Evolving Trends and Challenges in International Environmental Law: A Case-Based Analysis. *International Journal of Environmental Pollution and Environmental Modelling*, 7(2), 96-106.

⁴³ Crochet, V. (2022). Trade defence instruments: A new tool for the European Union’s extractivism. *European Journal of International Law*, 33(2), 381-410.

⁴⁴ Troh, C. P. (2024). Sweden’s Role and Compliance with European Union Trade Defence Mechanisms-A Legal Analysis of Anti-Dumping Measures and World Trade Organization Disputes.

⁴⁵ von Malmborg, F. (2025). At the controls: Politics and policy entrepreneurs in EU policy to decarbonize maritime transport. *Review of Policy Research*, 42(5), 1243-1276.

⁴⁶ Medvedieva, M., Sopilko, I., Guliev, A., Bilotksy, S., Nevara, L., Lovin, A., & Sirokha, D. (2018). Fragmentation and synergies in the international climate-change regime. *Environmental Policy and Law*, 48(3-4), 160-168.

⁴⁷ Seta, M. (2025). Impact of the WTO Agreement on Fisheries Subsidies on the Rights and Obligations Under UNCLOS. *Max Planck Yearbook of United Nations Law Online*, 1(aop), 1-27.

⁴⁸ Puharinen, S. T. (2023). Achieving good marine environmental status in the EU—Implications of the marine strategy framework directive for member states and blue economic activities. *Marine policy*, 155, 105712.

“public interest,” and “state aid eligibility,” the EU can convert tools of market protection into tools of ecological governance. For example, the EU Regulation on Foreign Subsidies Distorting the Internal Market and the Fisheries Subsidies Regulation illustrate how trade-related tools can satisfy competitiveness and sustainability aims, in effect enabling the ethos of stewardship in economic governance.

This shift requires a conceptual change in fairness in trade, that is, fairness is not simply the absence of a level playing field but the presence of environmental stewardship. This reframing neutralizes the perceived opposition of market protection and stewardship by arguing that sustainable competition, which is based on responsible sourcing and use of resources, is the only legitimate form of market protection in the Blue Economy. Nevertheless, this point also highlights a structural tension, because unilateral EU measures will not exist without friction if a multilateral trading system is a priority when environmental designations are secondary to trade liberalization. Consequentially, the EU must lead by example by facilitating a stewardship-based model of trade that reconciles internal ecological legitimacy and external economic legitimacy.

VI. TOWARDS A COHERENT FRAMEWORK

The EU is in a dire situation on how to balance its established market protection tools with the need to ensure ecological sustainability. The mechanisms that regulate trade remedies and subsidy controls, the two pillars of EU economic policy, have traditionally focused on the protection of domestic industries.⁴⁹ Nevertheless, the advent of the blue economy, combined with the global environmental demands, requires a paradigm shift. The concept of sustainability in trade remedy studies and harmonizing subsidy regulation and environmental state aid with the provisions of the WTO legal regime, and the EU legal regime, are all important as a way of attaining a sustainable, resilient, and a legal framework that is consistent.⁵⁰

a. *The inclusion of the concept of Sustainability in the EU Trade Remedy Investigations.*

The EU trade remedy procedures, such as anti-dumping, countervailing, and safeguard proceedings, typically concentrate on shielding local businesses against unfair competition.⁵¹ Nevertheless, where ecological effects are not considered, enforcing these instruments on such sectors as fisheries, shipping, and offshore renewable energy may compromise ecological goals.

Fisheries: Anti-subsidy policies have the side effect of encouraging overfishing by not considering the ecosystem effects. Trade protection and marine conservation can coexist by incorporating the

⁴⁹ Di Carlo, D., & Schmitz, L. (2023). Europe first? The rise of EU industrial policy promoting and protecting the single market. *Journal of European Public Policy*, 30(10), 2063-2096.

⁵⁰ Elena Cima, Daniel C Esty, Making international trade work for sustainable development: toward a new WTO framework for subsidies, *Journal of International Economic Law*, Volume 27, Issue 1, March 2024, Pages 1–17, <https://doi.org/10.1093/jiel/jgaa008>

⁵¹ Comont, A. (2025). When Trade Remedies Become Unfair: Abuse of Anti-dumping and Countervailing Measures at the WTO (Part 2). *Global Trade and Customs Journal*, 20(11/12).

sustainability criteria in investigations, evaluating the effects of the stock health, bycatch, and habitat.⁵²

Shipping/Offshore Energy: Trade remedies in maritime transport and offshore wind sectors need to evaluate emissions of greenhouse gases, effects of marine biodiversity, and constraints to renewable energy development.⁵³ The trade investigation needs to incorporate environmental assessment frameworks, which could be established through compulsory environmental impact assessment (EIAs) or ecological sustainability scoring, so that protecting the markets does not involve a cost to ocean protection.

B. Balance Subsidy Control and Environmental State Aid with Green Industrial Policy.

The control of EU subsidies is regulated by the TFEU, state aid provisions, and sectoral provisions. In the past, subsidies were used to enhance the competitiveness of industries, at times contradicting environmental goals.⁵⁴

Environmental State Aid: The European Commission has already issued Guidelines on State Aid on Environmental Protection and Energy (EEAG), which offer guidelines on the way to promote sustainable industrial practices.⁵⁵ By matching the trade subsidies with the principles of EEAG, we make sure that the subsidies will promote sustainable production and reduce the negative impact on marine ecosystems.

Green Industrial Policy: The offshore renewable energy, sustainable aquaculture, and marine biotechnology subsidies must balance economic growth and environmental protection.⁵⁶ Coherence between trade policy and industrial development can be maintained using mechanisms like conditional aid, performance-based incentives, environmental compliance clauses, etc.

c. Coherence in policy and Dispute resolution: WTO-UNCLOS-EU interfaces.

WTO/UNCLOS/EU Law Coherence: WTO/UNCLOS/EU coherence has opportunities and challenges to its intersection:

The Agreement on Subsidies and Countervailing Measures (ASCM) and the Fisheries Subsidies Agreement disciplines in the WTO contain restrictions on harmful subsidies.⁵⁷ WTO rules should be followed in EU measures such that environmental objectives are incorporated without causing any kind of disputes.

⁵² Sloterdijk, H., Grünhagen, C., Voss, R., Grasse, P., Keller, D. P., Kleemann, L., ... & Riekhof, M. C. (2025). Future scenarios of global fisheries and ocean alkalinity enhancement under socio-economic and climate pathways. *Earth's Future*, 13(7), e2024EF005478.

⁵³ Kotzampasakis, M. (2025). Maritime emissions trading in the EU: Systematic literature review and policy assessment. *Transport Policy*.

⁵⁴ Piechucka, J., Sauri-Romero, L., & Smulders, B. (2024). Competition and industrial policies: Complementary action for eu competitiveness. *Journal of Competition Law & Economics*, 20(4), 384-408.

⁵⁵ Metaxas, A. (2024). The new State Aid Guidelines on Climate, Environmental Protection and Energy: what changes do they bring?. In *Research Handbook on EU Competition Law and the Energy Transition* (pp. 299-323). Edward Elgar Publishing.

⁵⁶ Renaldo, N., Junaedi, A. T., Suhardjo, S., Jahrizal, J., Yovita, I., Musa, S., & Cecilia, C. (2024). Balancing Offshore Renewable Energy and Marine Conservation in the Blue Economy. *Journal of Applied Business and Technology*, 5(2), 116-122.

⁵⁷ Lennan, M., & Switzer, S. (2023). Agreement on fisheries subsidies. *The International Journal of Marine and Coastal Law*, 38(1), 161-177.

UNCLOS: regulates the application, protection, and biodiversity of marine resources. EU trade remedies and subsidies in the marine sectors should not violate the principles of the UNCLOS, like sustainable use and preservation of the marine ecosystems.

EU Law: EU's legislations, such as the Common Fisheries Policy and the Green Deal, as well as state aid frameworks, are being encouraged to navigate the WTO commitments as well as those of the UNCLOS.⁵⁸ The regulatory fragmentation threats can be addressed by providing systematic alignment of policies, equivalence of assessment standards, and advanced dispute resolution systems.

VII. REIMAGINING EU NORMATIVE LEADERSHIP: TRADE, SUSTAINABILITY, AND OCEAN GOVERNANCE

Figure 2 illustrates Reimagining EU Normative Leadership: Trade, Sustainability, and Ocean Governance.

Analytical Dimension	Core Ideas/EU Positioning	Mechanisms and Instruments	Implications for Ocean Governance	Critical Observations
Normative Power Europe (NPE) Revisited	<p>The EU positions itself as a leader in global environmental and sustainability efforts, promoting values that prioritize ecological responsibility over mere market interests.⁵⁹</p>	<p>This commitment manifests through trade agreements featuring environmental provisions, adherence to human rights due diligence, and alignment with Ocean Agenda 2030.⁶⁰</p>	<p>As a result, the EU establishes international normative standards for maritime nations, encourages more environmentally friendly supply chains, and motivates partners to adopt sustainable fishing</p>	<p>However, leadership frequently relies on rhetoric instead of concrete actions; enforcement is inconsistent, leading to claims of "green neoprotectionism."</p>

⁵⁸ European Commission, EU welcomes entry into force of WTO Agreement on Fisheries Subsidies, 15 September 2025 (accessed on 14 November 2025 via: https://ec.europa.eu/commission/presscorner/api/files/document/print/en/ip_25_2093/IP_25_2093_EN.pdf)

⁵⁹ Zito, A. R. (2013). The European Union as an environmental leader in a global environment. In The Globalization of Environmental Crisis (pp. 81-94). Routledge.

⁶⁰ European Commission, Global ocean conservation treaty enters into force, 20 September 2025 (accessed on 14 November 2025 via: https://ec.europa.eu/commission/presscorner/api/files/document/print/da/ip_25_2151/IP_25_2151_EN.pdf)

			practices and protect ocean resources.	
Trade as a Vehicle for Sustainability Norms	The EU is using trade to diffuse environmental standards; sustainability is part of the trade conditionality. ⁶¹	Chapter on Trade and Sustainable Development (TSD), border carbon mechanisms, anti-subsidy tools. ⁶²	A realignment of global trade flows to align with sustainability benchmark standards set by the EU, modifies subsidies regulation for fisheries, impacts global seafood value chains, and influences SPF trade to ensure alignment with EU sustainability benchmarks.	Effectiveness is dependent on partner countries capacity, notion that without capacity developing states risk being marginalised, questions of asymmetrical
Ocean Governance Integration	The EU connects its trade policy with marine environmental protection to establish a unified governance framework. ⁶³	This approach includes the Marine Strategy Framework Directive (MSFD), the International Ocean Governance Agenda, and the EU Biodiversity	It encourages management based on ecosystems, fosters sustainable fishing practices, and sets global standards for marine conservation while enhancing	However, integration is not complete; there remains significant fragmentation among trade, environmental, and fisheries divisions. The effectiveness of this coherence largely relies on

⁶¹ Gisselman, F., Merkus, E., & Norell, N. (2025). Boosting trade in environmental goods. Evidence from provisions in free trade agreements. *World Development Sustainability*, 6, 100195.

⁶² European Parliament, Trade and sustainable development in EU free trade agreements (accessed on 14 November 2025 via: [https://www.europarl.europa.eu/RegData/etudes/BRIE/2023/754613/EPRI_BRI\(2023\)754613_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2023/754613/EPRI_BRI(2023)754613_EN.pdf))

⁶³ Bueger, C., & Rafaly, V. (2025). The European Union and global ocean politics. In *Handbook of European Union Governance* (pp. 527-539). Edward Elgar Publishing.

		Strategy for 2030. ⁶⁴	collaborative efforts focused on ocean health.	political commitment.
Sustainability-Driven Subsidy Control	The EU has shifted its approach to subsidy control from a competitive perspective to one focused on ecological and climate imperatives. ⁶⁵	Anti-subsidy investigations are part of WTO subsidy reform initiatives, but so are regulations to limit harmful subsidies for fisheries, and incentives to aid green transition. ⁶⁶	The EU supports reduced capacity and overfishing; exercises influence in establishing global norms around “harmful subsidies” and encourages industry reform to align with climate imperatives.	The EU has been accused of selective enforcement of subsidy control; domestic exemptions sometimes lose credibility with external advocacy, and developing states may experience compliance products without the same level of resources.
Blue-Economy Transition Narrative	EU advocates a circular, low-impact, innovative-led blue economy in line with the Green Deal. ⁶⁷	Blue Economy Strategy, sustainable finance taxonomy, digital monitoring systems (EMODnet, Copernicus). ⁶⁸	Enhances data-based ocean management; support for green marine technologies; fast-track to improved monitoring and traceability of fishing	Digital divide affects equitable adoption; ocean data governance raises issues of sovereignty, equity; risk of technocratic overreach.

⁶⁴ Girard, F., Girard, A., Monsinjon, J., Arcangeli, A., Belda, E., Cardona, L., ... & Claro, F. (2022). Toward a common approach for assessing the conservation status of marine turtle species within the European marine strategy framework directive. *Frontiers in Marine Science*, 9, 790733.

⁶⁵ Fifi, G., & Gao, X. (2025). From the green to the just transition: the emergence of the Compensatory State in the EU's approach to climate change. *JCMS: Journal of Common Market Studies*.

⁶⁶ Kleimann, D. (2023). Climate versus trade? Reconciling international subsidy rules with industrial decarbonisation (No. 03/2023). Bruegel Policy Contribution.

⁶⁷ Barbosa, J., Trindade, P., Amorim, F. et al. Synergies and Antagonisms Between EU Circular Economy and Climate Mitigation Policies: Focusing on Construction Sector. *Circ.Econ.Sust.* (2025). <https://doi.org/10.1007/s43615-025-00673-6>

⁶⁸ Hassoun, A. E. R., Tanhua, T., Heslop, E., Lips, I., Alvarez, M., Petihakis, G., ... & Karstensen, J. (2024). A first scoring approach for evaluating the European Ocean Observing and Forecasting Community. *Frontiers in Marine Science*, 11, Art-Nr.

			activities and marine impacts.	
External Governance Model	The EU promotes its internal regulatory standards across the globe, influencing the partner's trade and policy landscapes using conditionality and/or incentives. ⁶⁹	Assures preferential access through good regulatory practices as a condition of market access; looking for good regulatory practices in trade agreements; providing capacity building; utilizing regulatory dialogues. ⁷⁰	Promotes upward convergence of sustainability-related norms broader in maritime and trade; and strengthens multilateral governance structures.	Potential to reinforce some dependency structures; partners comply with norms formally but do not fully implement; for some states this is regulatory imperialism.
Multilateral Norm Entrepreneurs hip	The EU sees itself as a norm shaper in negotiations regarding WTO, UNCLOS, BBNJ, and climate ocean diplomacy. ⁷¹	The EU shapes norms through coalitions for advocacy, participation in making normative rules, acting as a funder of scientific research, and through leadership in negotiations surrounding WTO	The EU efforts advance a more holistic understanding of ocean governance and embed sustainability and precautionary principles into multilateral law.	Yet geo-economic fragmentation and great power rivalry is reducing EU's normative influence and/or void the leadership potential of the EU without alignment of the US or China.

⁶⁹ Christen, E., Meyer, B., Oberhofer, H., Hinz, J., Kamin, K., & Wanner, J. (2022). The Brussels effect 2.0: How the EU sets global standards with its trade policy (No. 2022-07). FIW-Research Reports.

⁷⁰ Zhao, L. (2023). International regulatory cooperation. In Modern China and International Rules: Reconstruction and Innovation (pp. 231-261). Singapore: Springer Nature Singapore.

⁷¹ Dikaios, G. (2024). Shaping the Field: Normative Power Europe, the EU Climate Norm, and EU (Climate) Diplomacy. In EU Climate Diplomacy Towards the IMO and ICAO (pp. 31-70). Cham: Springer Nature Switzerland.

		agreement on fisheries subsidies. ⁷²		
Enforcement and Monitoring Capacity	The EU is attempting to bolster its legitimacy by improving the enforcement of sustainability clauses and addressing illegal, unreported, and unregulated (IUU) fishing. ⁷³	The IUU "yellow card" system applies sustainability audits, dispute settlement, and has responsibilities for increasing corporate due diligence. ⁷⁴	Facilitates compliance in third-party fleets; providing more oversight of compliance at the global level; legitimizing claimed sustainability from the EU.	Enforcement is asymmetrical - more robust enforcement against smaller states; variations (i.e. not always consistent) in the metrics for compliance; lack of resources limits enforcement capabilities.
Equity, Justice, and Inclusivity Concerns	The EU promises to support inclusiveness in ocean governance but often fails to consistently engage with developing coastal states with limited capacity. ⁷⁵	For example, it offers trade adjustment assistance, development cooperation, and technology transfer programmes. ⁷⁶	It could potentially improve ocean equity worldwide by means of shared governance and funding; and could further support partnerships related to the UN Sustainable Development	However, there is still inadequate support relative to obligations, benefits often accrue inequitably, and oceans sustainability burdens get shifted disproportionately to developing economies.

⁷² Happersberger, S., & Bertram, C. (2025). Reversing the Gaze in EU Trade Policy: Communities, Hierarchies and Agency under Trade and Sustainable Development Chapters. *Geopolitics*, 1–49. <https://doi.org/10.1080/14650045.2025.2468767>

⁷³ Rosello, M. (2025). The European Union and the Fight against Illegal, Unreported, and Unregulated (IUU) Fishing.

⁷⁴ Phuong, N. T. M., & Dong, N. X. (2025). The EU-VIET NAM FREE TRADE AGREEMENT (EVFTA): How to Get the 'Yellow Card' Lifted for Vietnamese Seafood Export?. *Journal of World Trade*, 59(5).

⁷⁵ Twomey, S., & O'Mahony, C. (2019). Stakeholder processes in marine spatial planning: ambitions and realities from the European Atlantic experience. In *Maritime Spatial Planning: past, present, future* (pp. 295-325). Cham: Springer International Publishing.

⁷⁶ European Commission, EU commits to ocean action and presents European Ocean Pact at the third UN Ocean Conference, 9 June 2025 (accessed on 14 November 2025 via: https://oceans-and-fisheries.ec.europa.eu/news/eu-commits-ocean-action-and-presents-european-ocean-pact-third-un-ocean-conference-2025-06-09_en)

			Goal 14 for healthy oceans.	
Strategic Risks and Opportunities	The strategic autonomy of the European Union is intertwined with the geopolitics of oceans ⁷⁷ ; sustainability norms are being invoked to buffer ecological and economic vulnerabilities. ⁷⁸	The strategy for critical raw materials, the framework for maritime security, and climate-trade diplomacy. ⁷⁹	Bolsters EU resilience and its claim of leadership; links ocean governance with planetary climate ambitions.	The potential risk of securitising sustainability; geopolitical rivalry may bolster trade barriers and undermine collaboration.

An attempt to refocus global economic governance around the concepts of ecological integrity, social responsibility, and marine sustainability. Traditionally, trade remedies and subsidy control instruments in the EU anti-dumping duties, countervailing measures, and state aid rules were principally designed as market shields to promote competitive neutrality and protect domestic industries against perceived unfair foreign practices.⁸⁰ However, with environmental and ocean governance elevated to strategic significance under the European Green Deal, EU Blue Economy Strategy and Sustainable Trade Policy Review, etc., these instruments began to serve a dual normative purpose to protect fair play in the market and to advance sustainability objectives.⁸¹ This reformulation is emblematic of the EU's own image of itself as a "normative power" in the global system, exercising influence not through coercion but through diffusion of values, standards, and regulatory models. By embedding sustainability, marine protection and climate neutrality into its trade and competition law regime, the EU is taking the logic of internal regulation to the global regulatory space for itself as a laboratory of integrated governance.⁸² This coherence is clearly illustrated in regulations like the Foreign Subsidies Regulation, which evaluates foreign government support not only on its distorting impact on competition but on

⁷⁷ Eriksson, B., & Boonstra, W. J. (2025). Toward contested seas? A review of geopolitical trends at sea in the 21st century. *The Anthropocene Review*, 20530196251334759.

⁷⁸ Palleari, S. (2024). The role of strategic autonomy in the EU green transition. *Sustainability*, 16(6), 2597.

⁷⁹ Kivimaa, P., Hildén, M., Carter, T. R., Mosoni, C., Pitzén, S., & Sivonen, M. H. (2025). Evaluating policy coherence and integration for adaptation: the case of EU policies and Arctic cross-border climate change impacts. *Climate Policy*, 25(1), 59-75.

⁸⁰ Ma, G., & Wu, H. (2025). Weaponization of Trade Measures and Countermeasures. *Journal of World Trade*, 59(5).

⁸¹ Eliasson, L. J., & Garcia-Duran, P. (2024). EU trade policy in light of a fragmented liberal international order. In *EU Foreign Policy in a Fragmenting International Order* (pp. 27-54). Cham: Springer Nature Switzerland.

⁸² Arias, C., & Varela-Aldás, J. (2025). Sustainable Development as a Transformative Axis of the European Union's Trade Policy. *Sustainability*, 17(15), 7151.

broader sustainability effects⁸³, and the State Aid Guidelines for Climate, Environmental Protection and Energy, which conditioned financial support on demonstrable green outcomes.⁸⁴ Collectively, these tools represent an innovation of EU regulation; they are mobilizing economic instruments as tools of ecological governance. In the arena of ocean governance, this normative reorientation suggests trade and subsidy policies should not be neutral to environmental degradation, but should reward marine conservation, discourage harmful subsidies and support sustainable uses of ocean resources in a Blue Economy.

VIII. CONCLUSION

The changing attitude of the European Union towards trade remedies and subsidy control illustrates a paradigmatic change in traditionally protective market mechanisms to an ecological stewardship component of the blue economy. Environmentally, the anti-dumping, countervailing, and safeguard instruments used by EU trade defence are now able to include environmental and sustainability issues, meaning that the economic protection should not interfere with marine biodiversity, fisheries sustainability, or offshore energy industry development. At the same time, EU subsidy regimes are gradually setting the rules of such kinds of financial support in such a manner that adherence to environmental goals is obligatory, maintaining a balance between industrial competitiveness and environmental requirements.

Although the issues of enforceability remain (through incompatibility with WTO, inability to measure ecological impact, and internal opposition), the transformative potential is immense. The EU can be seen as a global leader in responsible economic governance by inserting the concept of sustainability into FTAs, trade remedies, and subsidy control, and aligning the internal EU law with those of the UNCLOS and WTO.

Prospective observations support the significance of harmonization, strict monitoring, and accountability systems to facilitate sustainability goals are coherently put in place. In the end, the EU model demonstrates that market protection and ocean stewardship should not be mutually exclusive; instead, it can be mutually reinforcing, developing a strong structure that will resist a blue economy and normative world leadership in the sea.

⁸³ Schonberg, M. (2022). The EU Foreign Subsidies Regulation. *European state aid law quarterly*, 21(2), 143-152.

⁸⁴ Iliopoulos, T. G. (2024). State aid assessment for renewable energy support schemes: deconstructing the Guidelines on State aid for Climate, Environmental Protection and Energy, in view of the recent major crises. *Review of European Administrative Law*, 16(4), 45-66.