AFTINET Trade Deals Summary May 2017

1. Trans-Pacific Partnership (TPP): may proceed without the US

Countries involved: Australia, US and 10 Pacific Rim countries

Major issues: rights for foreign companies to sue governments (ISDS), expanded medicine monopolies and increased numbers of temporary workers vulnerable to exploitation, without testing if local workers were available. See more detail here.

Current status: The withdrawal of the US in January 2017 killed the 12 nation TPP, since the current text cannot proceed without the US. The Australian Senate inquiry report said no to the implementing legislation, so it has not been endorsed by the Australian Parliament. However, Japan is now leading a push for a revived TPP-11 without the US, supported by Australia and NZ. Any proposal will need to be renegotiated, signed and go through the Parliamentary Inquiry process again. Ministers will meet in November 2017 to review proposals.

2. Regional Comprehensive Economic Partnership (RCEP): aim to finish end 2017

Countries involved: 10 ASEAN countries plus India, China, Japan, South Korea, Australia, New Zealand (16 countries in total)

Major issues: some countries are pushing for TPP-like proposals on ISDS, while India and some ASEAN countries are resisting this and want more limited form of investment protection with clear exclusions for public interest regulation. Japan and Korea have tabled TPP-like proposals on stronger medicine monopolies, resisted by India and ASEAN low income countries. There may be proposals for increased numbers of temporary workers without testing whether local workers are available. See background here.

Current status: Next negotiations July 24 2017 in India, aim to finish end of 2017, but delays now likely.


Countries involved: US, EU, Australia and about 20 other mostly industrialised countries with developed service export industries.

Major issues: secrecy, restrictions on government regulation of services, data regulation, expansion of foreign investment in competitive tendering, pressure for privatisation of services. The aim is to deregulate trade in services further than can be achieved through the WTO General Agreement on Trade in Services (GATS). The negotiations are taking place outside the WTO, with less transparency, and being driven by global services corporations. See background here and leaked documents here.

Current status: Negotiations began in 2012 and the aim to finish by the end of 2016 was abandoned because of European popular opposition and EU differences with the US. It is currently unclear whether the US under Trump will continue talks.

4. Australia-Indonesia FTA: aim to finish late 2017

Major issues: Australia may push for ISDS provisions similar to those in the TPP. Indonesia is likely to want expanded access for temporary workers in Australia. It is not clear whether Australia will pursue TPP-like proposals for stronger medicine monopolies. Indonesia wants Australia to import more palm oil, controversial for environmental reasons, and paper, controversial because Indonesia has been accused of dumping paper products in Australia. Australian and Indonesian business groups have made a submission which supports zero tariffs, rapid deregulation of services, ISDS, and increased numbers of
temporary migrant workers, and describes Australia’s tobacco plain packaging law as a barrier to trade. See AFTINET submission which criticises these proposals here.

**Current status:** This is now a major priority for the Government. Negotiations continue in 2017.

5. **Australia-Hong Kong FTA negotiations**

These talks were announced in May 2017 and are likely to use the TPP text as a model. See background and issues [here](#).

6. **Peru-Australia FTA**

These talks were announced in May 2007, and will use TPP text as a model, since Peru was part of the TPP. See background and issues [here](#).

7. **Australia-India FTA: negotiations on hold, RCEP priority**

**Major issues:** Australia wants TPP model of ISDS, but India wants more limited version and is also reluctant to move to zero tariffs. India is seeking expansion of temporary workers with less labour market testing and other changes. The Turnbull Government’s abolition of 457 visas was not well received by India in the context of trade negotiations. See background [here](#).

**Current status:** Negotiations since 2012, accelerated from 2014 but now at another standstill since late 2016. India is focussed on RCEP.

8. **PACER-Plus: formal signing may occur in June 2017**

**Countries involved:** 12 of original 14 Pacific Island countries, Australia and New Zealand

**Major issues:** The agreement is heavily skewed towards the interests of Australia and New Zealand despite original rhetoric that the deal would meet development needs of Pacific Islands. Tariff reductions would lead to significant revenue losses for Pacific Islands which could affect their ability to provide essential services. Trade in services rules could reduce the ability of governments to regulate to provide equitable access to essential services for vulnerable populations.

**Current status:** PACER-plus negotiations began in 2009 with 14 Pacific Island countries involved in the talks. However, the deal finalised in April 2017 did not include Papua New Guinea and Fiji, the Pacific’s two largest island economies. Both these governments have said the agreement would not benefit their economies. The agreement is due to be signed on June 14. See background and petition campaign [here](#).

9. **Australia-EU FTA: talks to begin 2017**

**Major issues:** Response to EU-Canada FTA and US-EU TTIP. See more information [here](#).

**Current status:** current scoping study for negotiations to begin in 2017. A possible separate FTA with Britain cannot begin until Brexit is complete.

10. **Three ongoing WTO negotiations:**

These are the Information Technology Agreement, Environmental Goods Agreement. Australia is also seeking to join the WTO Government Procurement Agreement, which would lock in restrictions on local content (see AFTINET submission to government procurement inquiry [here](#)).

11. **Two agreements under review**

The Australian Government is also conducting reviews of the existing free-trade agreements with China and Singapore.