



BULLETIN June 2021

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1. Introduction

Dear Members,

Please share with your networks: we are advertising a trade justice coordinator position for an experienced graduate passionate about global justice. The position is for 28 hours per week for one year, renewable. See the full ad [here](#).

The Regional Comprehensive Economic Partnership (RCEP) agreement which encompasses Australia, New Zealand, China, Japan, South Korea and the 10 ASEAN countries – Indonesia, Singapore, Brunei, the Philippines, Malaysia, Myanmar, Thailand, Cambodia, Vietnam and Laos – is now subject to an inquiry by the Parliamentary Joint Standing Committee on Treaties. A hearing will be held in Sydney on Tuesday, July 27, where AFTINET will give evidence. COVID restrictions permitting, there will be a rally at 12.30 pm. Save the date!

The WTO TRIPS Council - which manages the Trade-Related Intellectual Property Rights Agreement in the World Trade Organisation – has been holding informal negotiating sessions through June on the proposal by South Africa, India and others, to temporarily waive WTO 20-year patent rules to ramp up supply and enable universal, low-cost access to vaccines, treatments and equipment. A recommendation may go to the WTO General Council on July 27-28, if the global civil society campaign has been strong enough. The Australian government has still not publicly supported the waiver.

Our public campaign for more transparency in trade negotiations has forced the publication of the Agreement-in-Principle of the Australia-UK Free Trade agreement. It confirms that there is no

Investor-State Dispute Settlement (ISDS) provision. But the full text should be published so that the public can see all 30 chapters!

Australian mining companies in the Republic of Congo have made outrageous claims under available ISDS provisions, which would bankrupt the country.

AFTINET relies on your support to continue our campaigns. If you have not already done so, you can renew your AFTINET membership [here](#), donate [here](#) or buy the unique AFTINET 20th Anniversary cloth banners or T-Towels with Wilcox and Tandberg cartoons [here](#).

Please share items from this Bulletin with your networks and friends.

Thanks and keep safe.

The AFTINET Team

2. Job Vacancy –Trade Justice Coordinator: please share

The Australian Fair Trade and Investment Network (AFTINET) is a network of community groups and individuals that campaigns for fair trade based on human rights, labour rights and environmental sustainability.

This is an exciting opportunity for an experienced graduate passionate about global justice. The position is for 28 hours per week for one year, renewable. Remuneration, including 10% superannuation, is \$75,130 per year.

The focus of the campaigns is the social impact of trade agreements, including bilateral agreements like the Australia-UK Free Trade Agreement, regional agreements like the Regional Comprehensive Economic Partnership (RCEP), and World Trade Organisation agreements.

Applications close Wednesday, July 14, 2021. The full job advertisement is [here](#).

3. RCEP PROTEST RALLY, Tues July 27, 12.30pm – save the date!

1 Farrar Place, Sydney

Opposite Commonwealth Building, 1 Bligh St, nearest station Circular Quay

The Federal Parliament's Joint Standing Committee on Treaties is holding a public hearing in Sydney on the proposed Regional Comprehensive Economic Partnership (RCEP). Australia has signed but not yet ratified the RCEP, ahead of a parliamentary vote on the implementing legislation. AFTINET and others will give evidence to support our argument that Australia should not ratify the RCEP.

AFTINET argues strongly that the RCEP [fails the human rights test](#). Despite gross violation of human rights in Myanmar, China and the Philippines, the RCEP has no commitments to human rights, labour rights or environmental sustainability. It could also restrict government regulation of essential services like aged care and restrict government action for local industry development for economic recovery. It has not been updated for the COVID-19 pandemic. There has been no independent study of its costs and benefits, and even the Morrison government doesn't claim that it provides extra markets for Australian exporters.

A protest rally outside the hearing is very important to demonstrate strong public opposition. We are organising for exciting speakers from a range of organisations to speak, and will keep you informed. Please **save the date** and tell your friends and networks about the rally. We will adjust our plans if necessary due to COVID-19 Public Health Orders.

4. Progress on changes to WTO rules for access to vaccines for low-income countries but more action needed

The World Health Organisation (WHO) was an early supporter of [sharing knowledge](#) to enable global production of vaccines during the pandemic. On May 5, 2021, the US [moved to support negotiation of a waiver](#) of patents on COVID-19 vaccines. A broader waiver applying to vaccines, treatments and equipment, was first proposed to the WTO by South Africa and India back in October 2020. The US move was followed by increased global support in June. The [Asia Pacific Economic Cooperation \(APEC\) meeting](#) held on June 4-5 supported WTO negotiations on the South African and Indian waiver proposal. On June 10, the [European Parliament](#) also voted to support this proposal. Over [50,000 Australians have signed petitions](#) supporting the proposal. On June 7, AFTINET took part in a [joint NGO presentation](#) of these petitions to the government.

The waiver is needed urgently because current WTO rules entrench 20-year monopolies on new medicines before cheaper versions can be produced, and each government must negotiate with pharmaceutical companies, which control both quantities produced, price and distribution. Rich countries are first in line, but even countries like Australia are experiencing delays in supplies. Under current rules most low-income countries will not have widespread access to COVID-19 vaccines until [2023 or later](#). Intellectual property must now be shared for the duration of the pandemic to enable ramping up of manufacturing capacity on a regional basis in those countries like India and South Africa which are amongst the world's largest producers of generic medicines.

Over the last 18 months, COVID-19 has claimed millions of lives and continues to cripple societies and economies. While the pandemic rages, new more contagious and dangerous variants continue to appear and to spread to countries like Australia.

Eleven billion doses are needed to vaccinate the global population, and the patent-holding pharmaceutical companies do not have enough capacity to meet this target in time to contain the pandemic. Without urgent action, unequal access to COVID-19 vaccines is set to further entrench global inequality. Australia is contributing to the G7 [COVAX](#) target to donate 1 billion vaccines to low-income countries but as the [British Medical Journal](#) has reported, this target is clearly not sufficient to address global needs.

India and South Africa have submitted a [revised waiver proposal](#) supported by over 100 WTO member countries. This proposal applies to COVID treatments and equipment for three years and is now being negotiated in a series of meetings of the [WTO TRIPS Council](#) leading up to the WTO General Council meeting on July 27-28.

Although the EU parliament is supporting the waiver, the EU Commission which is responsible for trade negotiations, led by the German Government which is heavily influenced by pharmaceutical companies, has put forward a late alternative proposal which argues that existing rules can be facilitated without a waiver. This no change proposal is seen as a [distraction by most public health experts](#) WTO member countries.

Pharmaceutical companies have already [made billions](#) from vaccines which were largely developed with public funds. As global companies they are also able to [avoid paying taxes](#) on these super profits.

The Australian government has still not publicly supported the waiver. AFTINET will be participating in campaigns over the next month to pressure the government to support the waiver, including open letters from CSOs, and an email campaign to local MPs. Watch out for details and be prepared to take action soon.

5. UK-Australia FTA “Agreement-in-Principle” published and ISDS ruled out, but still a lot we don’t know about the deal

In a June 16, 2021, oped in [The Conversation](#), AFTINET Convenor Dr Patricia Randal set out the dangers and the continuing undemocratic process in the in-principle agreement for an Australia-UK Free Trade agreement [announced](#) on June 15, 2021.

The Australian government released a five-page [summary](#), explaining that Australian farmers will benefit from tariff-free access to the UK for limited amounts of Australian beef, lamb, sugar and dairy products and that Australian consumers will benefit from immediate zero tariffs on products like UK whiskey and cars.

It will take at least another month for the deal to be finalised and signed, and only after the signing will the Australian public see the full text and a parliamentary committee be given the right to inquire into it but not change it.

The UK Trade Minister wanted to include corporate rights to sue governments (ISDS) in the deal, and the initial summary did not rule this out. This would have allowed British corporations to sue the Australian government in international tribunals over changes in law or policy if they could argue that such changes harmed their investment. Australians remember that the [US Philip Morris tobacco company](#) sued the Australian government for billions of dollars over our plain packaging law.

Like the CPTPP which the UK has applied to join, the Australia-UK Free Trade Agreement is likely to have as many as 30 chapters, some of which restrict the ability of governments to regulate in fields including medicines, essential services and data privacy.

On June 17, the Australian and UK governments responded to community pressure about the secrecy and opposition to ISDS and published the text of the 15-page [Agreement in-Principle](#) (AIP).

AFTINET welcomed the fact that the AIP text was published and that it rules out ISDS.

The exclusion of ISDS follows a trend to respond to public concerns and to exclude ISDS from recent agreements like the [Regional Comprehensive Economic Partnership](#) and the current negotiations for an Australia-European Union Free Trade Agreement.

However the AIP does not give detailed information about the up to 30 chapters which are still being negotiated behind closed doors, and the full text still will not be released until after it is signed.

For example, the section on intellectual property has no detail about whether the UK standard for longer medicine monopolies than Australia will be included in the deal. Pharmaceutical companies already have 20-year monopolies on new medicines.

The UK has an additional monopoly of up to 10 years for data protection before data is released for production of cheaper generic medicines. The current Australian standard is five years. The UK standard would delay the availability of cheaper medicines in Australia, costing the tax-payer funded Pharmaceutical Benefits Scheme [hundreds of millions of dollars per year](#).

The AIP says that the final text will contain ‘commitments underpinning the IP in our world-leading innovation sectors, including provisions on patents, trade secrets and test data. These provisions will not require regulatory changes and will not affect the price of medicines in either country’.

This was same formulation used to defend [the increased data protection commitments in the original Trans-Pacific Partnership](#) which did not require new regulation, but would have had the effect of delaying the availability of cheaper medicines.

AFTINET is calling on the Australian government to release the full text for public scrutiny and independent assessment of its costs and benefits before it is signed, so that everyone can see what is being traded away and the government can be held accountable before the deal is done.

6. Australian Mining Companies launch claims for over US\$35 billion against Republic of Congo

Avima Iron Ore Limited, an Australian-owned mining company, launched a [US\\$27 billion claim](#) against the Republic of Congo (RoC) in the International Chamber of Commerce on June 4, 2021.

Perth-based [Sundance Resources](#) is also seeking a US\$8.76 billion from the RoC for exploration investments and expected lost profit from iron ore exports. These two claims amount to three times the Gross Domestic Product of the RoC.

And Perth-based [Equatorial Resources Ltd](#), through its subsidiary, EEPL Holdings Mauritius, has served a Notice of Dispute and Request for Negotiations on the RoC under the Agreement between the RoC and the Republic of Mauritius for the Reciprocal Promotion and Protection of Investments (the “Mauritius-RoC Treaty”). At this stage, no dollar claim has been announced.

Avima, Sundance and Equatorial Resources claim their property was expropriated when three mining licences were granted to a Chinese company, Sangha Mining Development, over the areas the Australian companies had been exploring for several years, but had not started mining. China is seeking to diversify its iron ore requirements away from Australia’s Pilbara.

Avima stated that it had invested “hundreds of millions of US dollars over an extended period”, but somehow managed to claim US\$27 *billion* in damages.

The Avima and Sundance cases use an RoC law which allows for foreign investor disputes to be arbitrated through the [International Chamber of Commerce](#). Australia does not have an investment treaty with the RoC which might enable an ISDS claim. Equatorial’s case demonstrates ISDS forum shopping, using a Mauritius subsidiary to make the claim, even though it is an Australian company.

In 2019, the [Republic of Congo](#) had a Gross Domestic Product of US\$12.2 billion. It has a population of 5.4 million, and a Gross National Income per person of US\$1,720 per year.

These cases continue a [pattern of massive claims by Australian mining companies](#) against developing countries based on dubious calculations of future lost profits.