

AFTINET Bulletin No. 134

9th of February 2007

If you would like to contribute to the Bulletin, please contact Michele Freeman on campaign@aftinet.org.au or Phone (02) 9212 7242 Fax (02) 9211 1407

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1. AFTINET moves office – again!

Over the Christmas break, all the tenants in the building where AFTINET is located were given the unexpected news that the building had been sold and offices had to be vacated by March 2007.

Fortunately AFTINET's host organization, the Search Foundation, has already secured a great new office in Surry Hills where AFTINET will now be based. Phone and email details remain the same, however please note the new physical address:

**Level 3, Suite 3B, 110 Kippax St
Surry Hills, NSW, 2010.**

2. Invite to AFTINET Planning Meeting

This year AFTINET's campaign planning meeting will take place on **Wednesday the 21st of February at 5pm at the Tom Mann Theatre Building, Level 1, 136 Chalmers St, Surry Hills (South of Central station).**

The planning meeting is an opportunity for members to input into AFTINET's campaign focus and strategy for the year. All members are welcome to attend and we look forward to seeing you and their ideas on the night!

3. Volunteers needed for AFTINET website maintenance

Any budding IT professionals or website maintenance masters are encouraged to contact the AFTINET office regarding an in-kind arrangement for our website maintenance.

Interested people should have relevant skills and interest in using Front Page, WS-FTP or similar software. Please contact the office on the above details to find out more.

4. WTO talks set to resume

At the recent World Economic Forum in Davos, trade ministers from 30 countries held sideline meetings to discuss the possibility of reviving the Doha round of WTO negotiations.

On the face of things, key leaders emerged from this meeting optimistic and upbeat, announcing that global trade talks would resume. However, in reality there has still been little movement from the EU and US on agriculture – especially after the release of a redrafted US Farm Bill that failed to deliver on promised subsidy cuts.

The meeting at Davos was only a mini-ministerial meeting and the announcement made did not mean an official resumption of formal negotiations. Since then, Pascal Lamy reported to the WTO General Council on February 7th that “we have resumed negotiations fully across the board”, however there has still been no vote to officially recommence the talks.

Although there has been much fanfare about ‘clear signs of life’ and ‘a strong sense of optimism’ for Doha Round of negotiations, there has also been an undercurrent that a breakthrough is unlikely – or that a face saving deal will be made to the tune of ‘a bad deal is better than no deal’.

Underlying this succession of meetings and announcements has been a sense of urgency to reach a breakthrough before the expiry of Bush’s Fast Track Authority. Bush recently called on Congress to extend his Fast Track Authority, warning that he will not be able to complete the Doha Round without it.

5. AFTINET letter on WTO talks published in the Financial Review

The following letter by Pat Ranald was published in the Australian Financial Review (AFR) on January 30th.

The AFR editorial of January 29 emphasises that the WTO “development” round was intended to benefit poor nations, but is mistaken in its claim that there must be “more ambitious” offers from these countries on goods and services.

Reports of breakthroughs in WTO talks will come to nothing unless the US, EU and Australian governments recognise the specific needs of developing countries and the negative impacts of deregulation of essential services.

Calls by the US and the EU for developing countries to make further concessions in trade in services and goods in WTO talks are hypocritical, while they have still not offered meaningful reductions in their own unfair agricultural subsidies.

The EU and the US are not likely to make significant reductions in unfair farm subsidies as elections loom. They are also still failing to recognise the specific situations of developing countries. Studies by former World Bank chief economist Joseph Stiglitz and others show that rapid tariff reductions in low income countries with high unemployment simply worsen poverty and unemployment. Developing countries have also rightly rejected WTO proposals to reduce the right of governments to regulate essential services like health, education and water, and enable such regulation to be challenged under trade rules.

Under WTO rules, developing countries have the right to special and differential treatment to ensure that they can manage their development process. They are right to reject proposals that would increase unemployment and reduce access by the poorest to essential services.

Australian Trade Minister Warren Truss is also calling for developing countries to make “more ambitious” offers in services and goods. Moreover, the Australian government sponsored extreme proposals to reduce the right of governments to regulate essential services, which may be on the table again if talks resume. These proposals would not only impact on developing countries, but would also reduce the right of state and local governments to regulate services in Australia.

The Australian government should cease making unreasonable demands on developing countries and instead work with them to implement the special and differential treatment that was promised in the so-called ‘development round’ of WTO negotiations. It should also withdraw support for proposals to reduce governments’ right to regulate essential services, which will have negative social impacts in Australia and elsewhere.

6. Lobby State Governments – no to competitive tendering of blood products!

AFTINET is concerned about the Federal government's recommendation to states and territories that Australia's future blood fractionation arrangements be opened up for competitive tendering (see bulletin 133). Fortunately, there is a Commonwealth - State agreement on blood products that means that the Commonwealth cannot change current arrangements without the agreement of all the State governments. At this stage some States have indicated that they will not agree, but it is important to re-affirm this position.

The following letter was sent to state and territory leaders and health ministers to urge them to act in our national interest and not agree to the Government's recommendation. We encourage all of our members to lobby state and territory governments on this issue, and suggest using a personalised version of the following letter:

Dear **[Premier / State Cabinet Office]**

Fractionation of Australian Plasma not in our best interest

I write on behalf of the Australian Fair Trade and Investment Network (AFTINET). AFTINET is a national network of over 90 community organisations, which advocates for fair and democratic regulation of trade, consistent with the public interest, human rights and environmental sustainability.

AFTINET is very concerned that due to commitments made in the Australia – US Free Trade Agreement, the Federal government is recommending to all States and Territories that Australia's blood fractionation services should be opened up to competitive tendering.

This is despite the fact that such a recommendation directly contradicts the outcome of the recently released 'Australian's Plasma Fractionation Arrangements Review', which clearly states that competitive tendering of "fractionation of Australian Plasma is not an advantageous option for Australia".

The review found that the voluntary collection of blood in Australia and self sufficiency in blood plasma products should remain key objectives of Australian policy. Competitive tendering would involve substantial additional costs for transportation and return of Australian plasma, and substantial safety compliance and risk management costs. It would also increase the lead time between collection of plasma and its clinical use, and increase the risk of interruption to supply. For these reasons, the review recommended against competitive tendering.

Australia's health policies should be decided through open and transparent democratic debate and parliamentary processes, not negotiated in trade agreements. AFTINET strongly advocates that you do not agree to move to competitive tendering, as the independent review clearly shows this is not in Australia's public interest. The US Free Trade agreement does not legally oblige State and Territory Governments to accept the Federal government's recommendation.

Yours Sincerely,

[Your Name]

[Your Address]

7. World record holder urges 'keep our blood donor system'

'FTA threatens blood donor system', The Australian, 19th January 2007.

Let's keep our volunteer self-sufficiency, urges James Harrison, the world record holder for blood donations

We should be proud of our volunteer firefighters, having watched them battle fires across the country in recent weeks. But what if we were told that our fire service was to be opened up to overseas companies? Would we be concerned? Would the number of volunteers drop?

Thankfully, this scenario is just a fiction as far as our firefighters are concerned. But it is very real for our volunteer blood donors.

When I first started giving blood, I would never have dreamed that 51 years later I would be the world record holder in blood donations. My only thought was that to give blood is a necessity, and an important way of giving back to the community.

As a blood donor, I have had the good fortune to help thousands of women maintain healthy pregnancies through transfusions of the Anti-D blood product made from my blood plasma. Anti-D is given to about one in 10 pregnant women, whose blood is incompatible with their unborn baby's, to prevent rhesus disease.

It is said that my blood has helped save the lives of 1.5 million babies.

But I am very concerned about a threat that has arisen because of the federal Government's review of our blood management system as part of the free trade agreement with the US.

Blood donors such as me voluntarily give our blood via the Australian Red Cross Blood Service to help other Australians. For those who are plasma donors, the plasma is made into different component products here in Australia by an Australian company, using local expertise and people.

Under the federal Government's proposal, the plasma production, known as plasma fractionation, could be opened up to foreign companies. This is a threat to our self-sufficiency and our volunteering spirit. Thankfully, a report from the independent committee reviewing Australia's system has recommended that it be maintained as it is.

The report, known as the Review of Australia's Plasma Fractionation Arrangements (or the Flood report), states that for our blood system "self-sufficiency should remain an important national objective".

The report also says that "if fractionation of Australian plasma were to take place overseas, then this could result in a substantial fall-off in the numbers of Australian volunteers willing to donate blood and plasma. Such a development would be contrary to Australia's policy of seeking self-sufficiency". It points out: "Volunteering and making charitable donations are an important part of the Australian culture".

We should take notice of this report. The time has come to ensure we say no to importing a foreign system and say yes to being self-sufficient. To ensure we can be self-sufficient, we need even more volunteers to give blood.

I know better than anyone what a wonderful job the Australian Red Cross Blood Service does, and that is why I am pleased the Flood report notes: "Australia has a world-class blood service." But as the Flood report also finds, more government support is needed to help the blood service to recruit more blood donors.

Volunteering is always a worthy pursuit; donating blood is priceless. In the end, you walk away knowing you've helped someone seriously in need, and it doesn't cost you anything. Volunteering for the benefit of others is something that helps to define what it means to be Australian, increasing a sense of value in and greatly enriching our lives.

But the truth is that we need many more dedicated volunteers to keep up with demand.

This time last year, 20,000 donations were needed each week to maintain an adequate supply. This year, 21,000 donations are needed every week, and this is expected to grow again in 2008.

The Flood report says demand is likely to double within 10 years. There is always a demand for blood because people in hospitals and people with blood disorders need our help 365 days of the year. Recipients of this blood can be secure in the knowledge that the blood they receive is considered among the safest by world standards.

According to the Australian Red Cross Blood Service's submission to the Flood review, up to 95 per cent of donors and 91 per cent of non-donors support the existing voluntary, unpaid donor system. Ninety-six per cent of both groups believe Australia should be self-sufficient. But 47 per cent of eligible donors don't yet give blood.

Rather than taking the path of relying on a paid system or overseas blood imports, we should implement the findings of the Flood report and keep things the way they are.

As individuals, we should be taking the time now to give back to our community by rolling up our sleeves and making a habit of donating blood.

You will help someone in need and also help keep the Australian spirit of the volunteer alive and well.

James Harrison, from the NSW Central Coast, is a world record holder, having donated blood almost 900 times by the end of last year.

8. Possible Asia Pacific Free Trade Agreement

'PM eyes regional pact on trade', The Australian, 16th January 2007.

AUSTRALIA would join a free trade zone of 16 Asian and Pacific nations under a plan for a landmark East Asia economic bloc being pushed by Japan.

The free trade area — stretching from Japan to China, India, Southeast Asia, Australia and New Zealand — would cover almost half of the world's population, three billion people, with an economic output of \$9trillion.

Speaking at the East Asia Summit in The Philippines yesterday, John Howard said the Japanese idea of an East Asia free trade bloc, which would rival the European Union and the North American Free Trade Agreement, was discussed at the meeting and that Australia "supports the feasibility study being carried out".

In the past, China has opposed Australia, India and New Zealand's entry into a regional free trade bloc, preferring to champion the ASEAN Plus Three bloc of Southeast Asian nations plus China, Japan and South Korea.

"There was a mixture of views," the Prime Minister said of the summit debate over the Japanese initiative. "Some want it (the free trade area) restricted and some want it broader.

"We have reached the situation where we have almost a spaghetti-bowl of free trade proposals. There's APEC, ASEAN Plus Three, there's EAS (East Asia Summit) and in the meantime, most importantly, we are busily negotiating free trade agreements with our trading partners. (But) I got the sense that the East Asia Summit has well and truly arrived. It's a done deal that we are going to have an East Asia Summit. People today were talking about what it should do and were no longer marvelling that it was happening."

Australia signed an energy security pact yesterday with Asian and Pacific nations, committing to intense development of alternative fuels in the face of disappearing oil reserves and rising greenhouse gas emissions.

Mr Howard signed with 15 other regional leaders at the East Asia Summit, after agreeing in bilateral talks with Chinese Premier Wen Jiabao to a joint clean coal initiative aimed at reducing greenhouse gas emissions.

The leaders also agreed to an eighth round of talks, in Beijing in March, over the proposed China-Australia free trade deal.

Japanese Prime Minister Shinzo Abe also announced a \$US2 billion (\$2.5 billion) aid package to help Asian nations develop energy-saving technology and ease the region's dependence on oil. But Mr Howard insisted that "market solutions" be followed in the regional search for biofuels, while promoting the consideration of options such as nuclear power.

He said the energy security pact was "just another reinforcement of the critical importance of energy security to all countries".

"In my intervention on this issue, I described to my colleagues the need to have market solutions to energy matters (and that) we would continue to rely heavily on fossil fuels and increasingly, because of greenhouse gas concerns, clean coal technology would come to the fore," Mr Howard said.

"I also argued in favour of nuclear power being maintained as an option, a view that was shared by the Prime

Minister of Singapore as well as the Prime Minister of India. I pointed out that although renewables were part of the solution, you couldn't, in the Australian experience, run power stations with solar power."

Australia has already accepted that it needs to play a role in solving the global pollution problems, and the importance of energy security across Asia.

The country is a founding member of the Asia-Pacific Partnership on Clean Development and Climate with the US, China, India, South Korea and Japan. And Peter Costello, aware of the

link between energy supply and international security, put the issue on the G20 agenda last year to make sure individual countries could not hold other nations to ransom by cutting off supply.

Last year, the Treasurer proposed an energy "super-highway" between energy-rich Australia and Southeast Asia as a mechanism for helping countries going through their industrialisation phase.

At the G20 conference in November, he said pollution such as greenhouse gas emissions was a global problem.

He expressed sympathy with arguments that the developing world — countries such as China, that pose a threat to global climate as they modernise — needed to be considered in a different light to countries that had already developed. "But I think eventually, globally, the world will have to deal with these issues, and we will have to deal with them with all of the big players as part of it," he said.

The Southeast Asian manager for the Renewable Energy and Energy Efficiency Partnership, Amy Kean, said: "Investing in renewable energy and energy efficiency is the most effective and efficient way to reduce reliance on fossil fuel imports and improve energy security."

She said the \$US2 billion aid package offered by Japan "provides significant opportunities for Australian companies to leverage off the growing carbon market, which is already large, deep and liquid, estimated to be worth \$28.7billion".

Jenny Gregory, the industry development manager at the Business Council for Sustainable Energy, said the Japanese aid package was substantial and in line with Japan's aid work in recent decades.

Since the oil shock in the 1970s, Japan had made available significant funding for renewable energy projects in parts of the Pacific, Asia and Africa.

The projects for which the Japanese provided funding included solar-powered home systems in remote and underdeveloped areas.

9. APEC event planned for September

As you may be aware, the next APEC Leader's Meeting will be held in Sydney in September. The APEC meeting in Sydney will be an important opportunity for environment and community groups to criticise the limitations of the neo-liberal trade framework and to raise alternative proposals about human rights and environmentally sustainable development in the region.

Taking inspiration from the recent events such as the successful Make Poverty History forum in Melbourne, AFTINET has convened a broad coalition of groups to organise a public forum in Sydney. This event will be a peaceful, high profile and intelligent presentation of alternative ideas to the APEC vision.

The forum is likely to run for 1-2 days and be held in early September. If anyone is interested in learning more, or volunteering to be involved in this event, please contact Michele Freeman at the AFTINET office.