



BULLETIN August 2013

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Welcome to new Communications Campaigner

We are delighted to welcome AFTINET's new Communications Campaigner Jemma Williams, who started work in July. Jemma has a background in communications, international relations and development studies, including recent work in East Timor. She has enthusiastically taken on her new role, revamping the membership database, the website and social media, and writing this bulletin.

Eighteenth round of Trans-Pacific Partnership (TPPA) negotiations in Malaysia

The eighteenth round of the Trans-Pacific Partnership (TPPA) trade negotiations was held in Kota Kinabalu, Malaysia, from July 15 to 25. The TPPA is being negotiated between Australia, the USA, Canada, Mexico, New Zealand, Chile, Peru, Brunei, Singapore, Malaysia, and Vietnam, with Japan joining in the final days of the negotiation. The agenda is being driven by the US, with strong pressure to finish the negotiations for the APEC leaders meeting in the first week of October, where there will be a side meeting of TPPA leaders. However, some US industry and corporate demands are being resisted by other governments, including the Australian government.

Civil society actions in Malaysia

Malaysian activists staged a number of protests, public meetings and statements during the July negotiations in Malaysia which were reported in the media.

Their concerns included the lack of transparency of the negotiations, the influence of the US agenda and the potential of the agreement to reduce access to affordable medicines.

One protest drew 200 members of the Anti-FTA Coalition in Malaysia, who [rallied against the TPPA](#), claiming it would lead to 'Colonialism' by the USA and reduced sovereignty for Malaysia.

Health associations including the Malaysian AIDS Council (MAC) expressed their concerns about the health implications of the TPPA. Fifi Rahman from the MAC was quoted in [Free Malaysia Today](#) explaining the impact of the negotiations on HIV patients. "In Malaysia, we are already paying some of the highest prices for HIV drugs among developing countries—the TPP trade deal could make this bad situation even worse," she added.

Prompted by the lack of transparency, Malaysian Members of Parliament established a [cross-party caucus](#) on the TPPA, with the aim to engage stakeholders including non-government organisations, business groups and members of the ministry.

During the negotiations, 14 protesters were arrested and detained, attracting the attention of [the international media](#).

Civil society actions around the world

Médecins Sans Frontières / Doctors Without Borders (MSF) wrote a letter to all the leaders of TPPA participating countries asking them to reject US proposals which would strengthen patents on medicines and delay the availability of cheaper generic medicines. [Read MSF's letter to PM Kevin Rudd here](#).

The Fair Deal Coalition's [online campaign](#) to lobby against copyright and intellectual property changes proposed in the TPPA negotiations has gained momentum internationally. The coalition argues that proposals for stronger copyright provisions and legal sanctions would favour copyright holders at the expense of consumers, and restrict legitimate access to information on the Internet.

In New Zealand, lobby group [FairDealNZ](#) drew attention to the lack of transparency in the TPPA negotiations by questioning why a review into copyright law had been delayed until the negotiations were completed.

Australia

In the lead up to the Malaysia negotiations the [Sydney Morning Herald](#) published an article about Trade Minister Richard Marles' stance against proposals for special rights for foreign investors to sue governments for damages, known as Investor State Dispute Settlement (ISDS). The article, featuring a quote by AFTINET Convener Dr Patricia Ranald, is below.

Dr Deborah Gleeson and Dr Paula O'Brien expressed their concerns about the proposed new rules for alcohol labelling under the Trans-Pacific Partnership Agreement (TPPA) in [The Conversation](#), arguing that these could prevent the implementation of effective health warnings on alcohol products, including warnings related to consumption during pregnancy.

Developments in the negotiations

Despite the pressure to finish these negotiations [many have speculated](#) that it will be very difficult to complete the negotiations by October as had been originally projected.

Media reports suggest that negotiations have ended on five of the 29 chapters, and have progressed on nine others to the point where decisions about remaining disagreements will be made at the political leadership level. There are still major disagreements and ongoing negotiations about market access and exemptions for goods and services, intellectual property rights, state-owned enterprises, environmental issues, investment, government procurement, labour issues and electronic commerce.

Six nations, including Australia, have pushed against US pressure to extend patent rights on medicines in the Trans-Pacific Partnership Agreement (TPPA), according to an article published by the [Sunday Star Times](#). The controversial US healthcare annex to the transparency chapter, which contains provisions directed at restricting pharmaceutical pricing and reimbursement schemes, was not discussed in Malaysia. This annex specifically targets national reimbursement schemes such as Australia's Pharmaceutical Benefits

Scheme and New Zealand's PHARMAC but could also have implications for other countries that have price controls of some description. All countries appear to remain opposed to the draft text tabled by the USA.

Japan joins

Japan officially joined the TPPA negotiations for the last two days of the Malaysian round, increasing the number of negotiating states to 12. Like other governments which joined the negotiations after they started, Japan has reportedly given undertakings that it will accept areas of agreement already reached in the negotiations, and will negotiate on sensitive issues like access to its agricultural markets. However, reports of Japan's domestic political debates indicate that there are different interpretations of these commitments, especially from Japan's powerful farmers' organisations. The US is also engaged in separate bilateral negotiations with Japan over improved market access for US motor vehicles in Japan. It is unclear at this stage whether Japan will seek to reopen any of the closed chapters.

There is also uncertainty about US Congress support for the TPPA, since a number of Congress members have criticised aspects of the TPPA and the US government has not yet sought Trade Promotion Authority from Congress. Trade Promotion Authority means that Congress cannot amend a trade agreement, but must simply vote yes or no. Without Trade Promotion Authority, the Congress can undo whatever agreements have been reached by US negotiators. The question of Trade Promotion Authority will not be considered until after the Congress summer break in September.

The next round of negotiations will be held in Brunei from August 22-30, 2013.

Take Action: Send a letter to the Minister for Trade and the Opposition Trade Spokesperson, or see your MP

Australia's new Trade Minister, Richard Marles, is under enormous pressure to agree to proposals like Investor-State Dispute Settlement, which would allow investors the right to sue governments if a law or policy 'harms' their investment. Opposition Trade Spokesperson Julie Bishop has said her party is prepared to negotiate ISDS proposals. As the federal election looms, email Richard Marles and Julie Bishop directly to tell them your concerns about the TPPA and its corporate-influenced agenda.

[Send an email to the Trade Minister](#)

[Send an email to the Opposition Trade Spokesperson](#)

[Ask questions about the TPPA at a candidates' meeting or at a meeting with your MP](#)

Please circulate this message to your networks and post on your website, Facebook and Twitter!

AFTINET letter to Trade Minister Richard Marles signed by 30 organisations

Although Trade Minister Marles has said the Government will continue to oppose Investor-State Dispute Settlement (ISDS) clauses in trade negotiations, he is under enormous pressure from industry groups to change his stance on this issue.

Investor-state dispute settlement clauses would enable foreign investors to sue governments for damages on the grounds that government regulation harms their investment. This could threaten many areas of public interest, including environmental protection and public health policies.

AFTINET reinforced this argument to Minister Marles by sending a letter outlining these concerns. The letter was endorsed by more than 30 organisations Australia-wide, including unions, church groups, aid and development organisations and environmental groups.

[Read the letter here](#)

China-Australia free trade agreement a priority for Trade Minister Marles

Australia's Trade Minister Richard Marles has indicated a renewed effort to pursue a free trade agreement with China as a priority, and has recently travelled to Beijing where he put a new offer to China. According to the [Australian Financial Review](#), Marles has responded to Chinese concerns about "unfair restrictions" on their investment in Australia by indicating that Australia is willing to negotiate further about these.

Negotiations for a free trade agreement between Australia and China began under the Howard government in 2005. Nineteen rounds have been completed without result.

In a recent [radio interview](#), Marles would not commit to a time frame for when the negotiations would likely be completed. AFTINET is concerned that there appears to be no discussion about clauses which protect labour rights and environmental sustainability, despite government policy which supports their inclusion in trade agreements.

Australia and the Trade in Services Agreement (TISA)

The Trade in Services Agreement (TISA) is a pluri-lateral agreement involving the European Union's 28 member states and 22 other mostly industrialised countries, including Australia.

The TISA arose in 2012 from the stalemate in the [World Trade Organisation \(WTO\)](#). The WTO negotiations stalled because many developing countries want to retain their ability to provide and regulate services as part of their development strategies, and therefore would not agree to allowing unrestricted foreign investment or to reducing their government's capacity to regulate services. In addition, other governments are concerned about retaining the policy space to regulate essential services and to respond to issues like the Global Financial Crisis and climate change, which require new forms of regulation.

The TISA negotiations are occurring *outside* of the WTO framework. The vast majority of the 157 WTO members are developing countries. This means they are not included in the negotiations. The TISA is a preferential agreement which means any market access is restricted to those countries involved, in contrast to the WTO, which extends market access to all members. Once negotiated, the TISA would be presented on a take-it-or-leave-it basis to the majority of WTO developing country members who were not involved in the negotiations. The TISA is not bound by WTO standards on transparency, which have in the past included the publication of discussion papers, negotiating texts and offers. So far no TISA documents have been published. AFTINET is monitoring the TISA negotiations and our representatives recently attended a briefing from TISA negotiators which confirmed our concerns. See the [AFTINET submission](#) on the TISA negotiations.

PACER-Plus Update

The Pacific Agreement on Closer Economic Relations - Plus (PACER-Plus) is a proposed regional free trade agreement between Australia, New Zealand and 14 developing Pacific Island countries. These governments struggle to provide basic services like health, education, water, police and emergency services. They often rely on important revenue from import taxes to fund these services. AFTINET believes that development rather than free trade should be a priority in this region.

The 2013 Pacific Islands Forum Trade Ministers Meeting was held in late July in Samoa, and senior trade officials discussed the negotiations and proposed to [broaden the PACER-Plus priority areas](#) to include services and investment.

Recently, PNG Minister Richard Maru had indicated that the PACER-Plus [agreement was not beneficial for PNG](#).

According to [The Samoa Observer](#), Pacific Island nations continue to push for labour mobility to be included in the talks, including a commitment to an increase in the number of visas for Pacific Islanders to do temporary seasonal work in Australia. AFTINET is concerned that the inclusion of temporary labour mobility in trade agreements treats workers as if they are commodities, without adequate protection for workers' rights. We believe temporary labour mobility arrangements should remain as separate government-to-government agreements, which can have adequate protections for labour rights and specify obligations on employers, and can be amended more easily than trade agreements.

Julie Bishop has claimed that [the talks have stagnated](#) and the Coalition would look at other ways of increasing trade in the Pacific – namely by establishing bilateral agreements or quadrilateral agreements which other countries could 'opt-in' to join.

The next negotiating session is scheduled for mid-August 2013.

Dr Patricia Ranald wins Public Health Impact Award 2013

The Convener of AFTINET, Dr Patricia Ranald, has received the Public Health Association Australia's 'Public Health Impact Award' for 2013.

Dr Ranald was nominated for her work with AFTINET monitoring proposals in trade negotiations and advocating against those which have the potential to harm public health. These include the right of foreign investors to sue governments over public health measures like tobacco plain packaging, and increased patent rights, which delay availability of cheaper generic medicines, increase the price of medicines and undermine Australia's Pharmaceutical Benefits Scheme.

Sydney Morning Herald: Marles vows not to cave to US Pressure

By Peter Martin

Sydney Morning Herald, July 15, 2013

Negotiations over what is set to be the world's biggest free trade agreement resume in Malaysia on Monday with Australia under pressure to relax its opposition to the US proposal that would allow foreign companies to sue sovereign governments.

Japan will join the Trans-Pacific Partnership negotiations for the first time, meaning that with Australia, Brunei, Darussalam, Canada, Chile, Malaysia, Mexico, New Zealand, Peru, Singapore, the US and Vietnam, the agreement would cover nations accounting for 40 per cent of the world's gross domestic product.

New Trade Minister Richard Marles has confirmed Australia will not sign the agreement if it includes a so-called Investor State Disputes Settlement clause that would allow companies who believed an Australian law had harmed their ability to invest to take their dispute to a supra-national body with the power to overrule Australian laws.

But the opposition has indicated it would be prepared to consider such a clause.

"The Coalition would, as a matter of course, put ISDS clauses on the negotiating table and then negotiate ... on a case-by-case basis," Coalition foreign affairs and trade spokeswoman Julie Bishop said earlier this year.

The US is keen to finalise the negotiations before the Asia-Pacific Economic Cooperation forum leaders meeting in Bali in October.

President Barack Obama mentioned reaching an agreement in a phone call to Prime Minister Kevin Rudd in June.

An observer at the talks, Patricia Ranald of the Australian Fair Trade and Investment Network, said Australia was under "enormous pressure" to speed up negotiations and "to agree to unreasonable demands without public debate".

Read the original article [here](#).

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