



AFTINET Ltd  
Level 1, 46-48 York Street  
Sydney NSW 2000  
Phone: 02 9299 7833  
Fax: 02 9299 7855  
Email: [lsouthalan@piac.asn.au](mailto:lsouthalan@piac.asn.au)  
Website: [www.aftinet.org.au](http://www.aftinet.org.au)  
ABN 83 659 681 462  
ACN 097 603 131

## AFTINET Bulletin 78, 17 December 2003

If you would like to contribute to the Bulletin, please contact Louise Southalan via email at [lsouthalan@piac.asn.au](mailto:lsouthalan@piac.asn.au) or on (02) 9299 7833. Our website is [www.aftinet.org.au](http://www.aftinet.org.au).

### Contents:

1. Update on USFTA negotiations and campaign
2. Regional AFTINET members hold strong concerns over USFTA
3. WTO aims to revive stalled talks next year
4. Internet animation on USFTA and cultural protection
5. Fair Wear Christmas theatrical action, Sydney 6pm Thursday 18 December

---

### 1. Update on USFTA negotiations and campaign

The USFTA negotiations are in some difficulty because of the opposition from US farmers, and have been extended until the end of January. The Trade Minister Mark Vaile and the US Trade Representative Robert Zoellick will meet in mid January to discuss difficult issues. The next round of negotiations will take place in Washington in the week of 19 January 2004. AFTINET will have a media conference in Canberra just prior to this round. At this conference we will further publicise the many endorsements of our statement of concerns about the USFTA, as well as the recommendations of the Senate Committee described in the last bulletin.

If agreement is reached, the agreed text could be tabled in Parliament in February 2004 and will be examined by a parliamentary committee in March and April. We will plan public events and campaign to force public hearings by the Committee to expose the agreement to public debate. Cabinet, not parliament, makes the final decision about the agreement. Some implementation legislation may then go to the parliament in May. We will also campaign against the implementation legislation if required.

If you have not yet signed our statement on the USFTA, this is your last chance through our web site <http://www.aftinet.org.au>.

### US using FTA in backdoor attempt to wind back generic drugs

Extract from an article in *The Australian*, 18 December 2003

Christine Wallace and Roy Eccleston

A backdoor way of delivering more profits for US drug companies from Australia's taxpayer-funded Pharmaceutical Benefits Scheme through the proposed free trade agreement is being pursued by US trade negotiators.

A document obtained by *The Australian* shows US negotiators aim to undermine the "springboarding" rights that enable inexpensive generic copies of patented medicines to be brought quickly to market to compete with branded drugs on the Pharmaceutical Benefits Scheme.

---

It would oblige the Australian Government to run an early alert system for patent holders of any plan by generic drug-makers to bring a competing drug to market. This would allow the big drug firms to take early defensive action against generic competitors, which in the US has led to the effective patent life of medicines being extended by up to 50 per cent.

While not changing the PBS system, it would inevitably lead to a blow-out in government spending as consumers' ability to choose cheap generic alternatives to expensive brand-name drugs was increasingly delayed.

Marked "Australia Confidential Information: To Be Treated As US Confidential" and dated in February, the document shows that from the outset of talks, US negotiators sought to use "intellectual property" issues as a backdoor route for dealing with the PBS.

...

The Opposition said the proposal would be a "deal-breaker" for Labor in relation to the FTA. "It's a backdoor route to undermine the PBS by delaying the introduction of generic drugs to the Australian market", trade spokesman Stephen Conroy said.

---

## **2. Regional AFTINET members hold strong concerns over USFTA**

The USFTA will impact on regional Australia in a number of critical areas. Key issues for farming communities are quarantine, single desk marketing (eg the Wheat Board), and regulation of GM crops.

AFTINET has been campaigning around these issues, and has many individual and organisational members in regional areas of Australia including, for example, Lismore, Bathurst, Berala (NSW) Burnie, Launceston (Tas), Roma (Qld), Darwin (NT), and Mandurah (WA).

The quarantine regulations and the Australian Wheat Board are clear targets under the USFTA. Some of our regional members have expressed concern at the very great impact that changes to these social policies would have on country communities and the livelihood of farmers. They are also concerned about issues like the price of medicines and Australian content in new forms of media which are still on the agenda.

---

## **3. WTO aims to revive stalled talks next year**

By Frances Williams in Geneva

*Financial Times*; Dec 16, 2003

World Trade Organisation members will try again early next year to rekindle global trade talks, stalled since the collapse of last September's WTO ministerial meeting in Cancún, Mexico.

But trade diplomats warned yesterday that time was running out. "We need more sense of urgency," said Carlo Trojan, European Union ambassador to the WTO in Geneva. "There is a serious risk that 2004 may turn out to be a lost year."

Supachai Panitchpakdi, the WTO director-general, told the ruling general council that while some progress had been made since the Cancún meeting, the talks on the Doha round were not yet able to "resume full momentum" as ministers had instructed.

However, there did seem to be general acceptance that the draft for a negotiating framework that emerged in Cancún could serve as a basis for future talks.

Carlos Pérez del Castillo, Uruguay's WTO ambassador and this year's general council chairman, who has been playing a mediation role, said there had been little real negotiation and gaps in positions remained wide.

He called for all the Doha round negotiating groups, currently in suspension, to start work early next year, following the appointment of new chairpeople, and urged WTO members to use this "window of opportunity" to the fullest.

Trade officials argue that if the round remains stalled beyond early spring, the negotiations will go into limbo as the US presidential election campaign gathers steam, and EU enlargement and selection of a new executive Commission preoccupy the energies of Brussels.

The Doha round, launched in Qatar in November 2001, is scheduled to end in December 2004, but few believe this is now possible and 2006 is seen as a more likely date, before US negotiating authority expires in 2007.

Mr Pérez del Castillo outlined ways he believed WTO members could go forward in the four most contentious areas - agriculture, industrial tariffs, cotton and the "Singapore issues" that would extend WTO rules to investment, competition policy, trade facilitation and transparency in government procurement.

On the central issue of agriculture, he said countries should commit themselves to an end date for phasing out all agricultural export subsidies, as envisaged in the Cancún text. "I feel this commitment to the elimination of all forms of export subsidies is a must for these negotiations to be successful."

On the Singapore issues, Mr Pérez del Castillo repeated his proposal for further work on possible negotiations on trade facilitation and government purchasing transparency, leaving the other two for further discussion.

However, nearly 50 developing countries, including China, India and Malaysia, said yesterday that only work on trade facilitation should continue.

---

#### **4. Internet animation on USFTA and cultural protection**

The Screen Producers Association of Australia have made an internet animation for the Free Trade campaign, a consolidated effort by all the film and TV industry guilds, unions and associations. It is going out to industry, media, politicians and general public. It can be opened using Explorer or any browser, and is accessible directly from: <http://www.spaa.org.au/freetrade.html>

---

#### **5. Fair Wear Christmas theatrical action, Sydney 6pm Thursday 18 December**

Come One, Come All! The Fair Wear Action Group has gone theatrical! All ye thespians, activists and theatre lovers, do come join us on Thursday 18th December at 6pm in Pitt St Mall as we perform:

"Fashions Fool" A satirical and tragic take on the Foibles of the Fashion industry.

Accompanied by the Solidarity Choir and friends, singing all time classic Christmas carols with less than conventional lyrics.