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Australian Fair Trade
& Investment Network Ltd

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1. WTO draft text released for Ministerial Meeting – talks remain in crisis

Talks remain deadlocked as the WTO Ministerial looms. Last week, the WTO Director General, Pascal Lamy, produced the draft text which will form the basis of the Ministerial negotiations. In the key areas of trade in agriculture and trade in industrial goods, the draft text is merely a report of the current negotiations, rather than a draft set of modalities. This reflects the lack of convergence in key areas.

The draft text on services however details the draft modalities. As explained in the previous bulletin, the text includes a proposal to change the negotiating structure of GATS in a way that will pressure countries to make commitments in a number of services sectors including essential services. Developing countries have said that the draft Ministerial text is biased towards developed country interests and silences developing country concerns.

A copy of this text is available from the WTO website: www.wto.org. Detailed critiques of the draft text are available from Third World Network: www.twinside.org.

2. Actions stations: Write a letter to the editor and bring negotiations out into public debate!

It is clear that the Government prefers backroom negotiations over public debate about the decisions being forged at the WTO Ministerial. So, it is up to us to raise these issues with our politicians and to bring these issues into the public spotlight.

In the coming weeks, the progress of the WTO negotiations is likely to be in the media a lot. This will be a good time to write letters to your local newspaper or to ring up talk-back radio with your concerns about the current negotiations and fair trade more generally. For more information about the Government's position in the key negotiating areas, please visit the AFTINET website (www.aftinet.org.au) and download the AFTINET submission on the Doha negotiating round.

We need to raise the level of critical public debate leading up to and during the Ministerial.

Here are some tips for your letters to the editor:

- Keep it short and snappy. Preferably under 150 words. It is good to stick to one main point.
- New facts and figures or your own stories about the impacts of the negotiations are good.
- Respond to articles quickly. Preferably before 2pm on the day the article is written. If you are responding to a particular article, make sure you refer to this article in the letter with the author and page number.
- Include your name, address and phone number. Newspapers will often contact you before they print your letter.
- Write your letter in the body of the email. Make it as easy as possible for the newspaper editor and don't attach the letter in a separate document.

Here are the email contacts for letters to the editor at the main Australian newspapers:

Sydney Morning Herald: letters@smh.com.au

The Age: letters@theage.com.au

Australian Financial Review: edletters@afr.com.au

The Australian: letters@theaustralian.com.au

Daily Telegraph: letters@dailytelegraph.com.au

Herald Sun: hsletters@heraldsun.com.au

Courier Mail: cmletters@qnp.newsltd.com.au

Adelaide Advertiser: advedit@adv.newsltd.com.au

Canberra Times: letters.editor@canberratimes.com.au

West Australian: letters@wanews.com.au

Hobart Mercury: mercuryledletter@dbl.newsltd.com.au

And let us know if your letter gets published.

You should also keep writing to Trade Minister Vaile and to your local politicians. Community campaigning led to a campaign win earlier this year when the Government were forced to exclude water for human use from the WTO trade in services agreement (GATS). This campaign has put the Government on alert and we need to keep the pressure on!

Write to Trade Minister Mark Vaile on:

The Hon Mark Vaile

Minister for Trade

Parliament House

Canberra

Email: mark.vaile.mp@aph.gov.au

Fax: 02 6273 4128

3. **Developing countries call to reclaim development in the Doha ‘Development’ Round**

Argentina, Brazil, India, Indonesia, Namibia, Pakistan, Philippines, South Africa and Venezuela have submitted a statement to the WTO that seeks to reclaim the development objectives that have been lost in the WTO negotiations. The full statement is at <http://www.tradeobservatory.org/library.cfm?refid=77656>.

Below are some key paragraphs:

The recent proposals of some major developed countries have attempted to sow division among developing countries, re-interpret the framework and trajectory of the negotiations and, in a self-serving manner, narrow, limit and - ultimately - undermine the developmental objectives of the Doha Development Agenda (DDA). It is thus timely to reclaim the developmental objectives and trajectory of the negotiations.

Agriculture: A development round requires the removal of trade distortions in international trade rules that inhibit the export growth of developing countries.. It is for this reason that *agriculture* is the central issue of the Doha Round.

Due recognition must be given to the enormous imbalances in the global trading system reflected in the inequitable distribution of the gains from globalisation and the continued protection in developed countries against products from developing countries.

Trade in Goods (NAMA): many developing countries have continued to undertake unilateral liberalisation beyond their WTO Uruguay round commitments and reform their industrial sectors, a significant part of their production and employment remain in sensitive sectors, and further liberalisation of these sensitive sectors would have to be preceded by carefully managed adjustment policies.

Developing countries cannot be expected to pay for the much needed reforms in the agriculture sectors of developed countries (referred to above), by overly ambitious requests of them in industrial tariffs that do not take into account the realities of their levels of economic development and their adjustment needs. Developing countries are prepared to make a contribution to the NAMA negotiations in this round, provided that their concessions will be commensurate with their levels of development in a full expression of the principle of special differential treatment.

Least Developed Countries (LDCs): Not all developing countries stand to gain from the DDA in the short to medium term. A significant number of developing countries including, small, weak and vulnerable countries and Least Developed Countries (LDCs) will face significant transitional costs, especially those countries that are preference dependant and will suffer significant preference erosion. We support the need for a package of development measures to foster their integration into the world trading system and enhanced development. We pledge to work for the provision of duty free and quota free market access for all LDCs, and we urge developed countries to make a firm commitment in this regard by the Hong Kong Ministerial Meeting. Developing countries in a position to do so are also encouraged to make efforts to open their markets to LDCs on a non-reciprocal basis.

Unbalanced Intellectual Property Rules: The Uruguay Round created a number of new trade rules, such as the agreements TRIPS, that developing countries consider to be imbalanced, in favour of developed countries. Developing countries have called for these agreements to be reviewed during the Doha round. For example, the TRIPS agreement has strengthened the rights of private ownership without providing equivalent protection for the intellectual property rights

of communities. Developing countries are a recognized repository of traditional knowledge that is also enhanced by their bio-diversity. In the recent past attempts have been made to misappropriate this knowledge for commercial gain, without providing a just reward to these communities. Developing countries have therefore sought amendments in the TRIPS Agreement to prevent bio-piracy of biological material and to prevent misappropriation of traditional knowledge. We call on the developed countries to consider proposals for new disciplines on disclosure of the source and country of origin of biological resources and traditional knowledge, and to secure prior informed consent and equitable benefit sharing.

4. Doha Round's Development Impacts: Shrinking gains and real costs

RIS (India) 22 November 2005

What a difference two years makes. In 2003, as trade negotiators approached the Cancún WTO meetings, World Bank projections promised \$832 billion in estimated gains from global trade liberalisation, the majority – \$539 billion – going to the developing world. These seemingly robust numbers were cited far and wide, by developing country negotiators and NGOs alike, in their clarion call for deep liberalisation.

Now, on the eve of the WTO's Hong Kong ministerial, the so-called gains from trade seem to have evaporated. New projections, from the same World Bank sources, estimate potential welfare gains at just \$287 billion – just one-third their level two years ago. Developing country gains dropped to just \$90 billion, a “loss” in two years of over 80 per cent. More discouraging still, developing countries' share of global gains has fallen from about 60 per cent to just 31 per cent, hardly a good advertisement for this so called “development round” of global trade talks.

The full article is available at:

<http://www.ase.tufts.edu/gdae/Pubs/rp/RISPolicyBrief19WiseGallagherNov05.pdf>

5. Chances diminish for solution on TRIPS and Public Health before Hong Kong

Key officials in Geneva indicate that World Trade Organization members are not likely to find a compromise on a permanent amendment to global trade rules in order to allow poor countries to import affordable medicines in time for the December WTO ministerial in Hong Kong. There is no formal deadline for items to be included in the Hong Kong agenda, but “in practical terms any text to be taken to Hong Kong should be completed by about 2 December at the latest,” a WTO official said.

At issue is a mandate for members to make a permanent amendment to the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) to allow countries to import cheap generics under compulsory licenses when deemed necessary. Such a waiver was mandated to be made permanent by 2002 under paragraph six of the 2001 Doha Declaration on TRIPS and Public Health. A temporary waiver was agreed on 30 August, 2003.

Negotiations at this point are centred on the status of a statement read out by the chairman at the time of adoption. A wide variety of group and bilateral meetings on the issue are taking place but so far there have been no breakthroughs, according to sources. A key Geneva source familiar with the negotiations said that there has been no movement among interested members and that “nothing was on the table.”

The source said that most likely there would not be any settlement before Hong Kong, adding that the African group last week held inconclusive discussions and referred the issue to this week's

African ministerial meeting in Arusha, Tanzania. The Arusha meeting is being held to prepare for the Hong Kong ministerial. A developing country official said that the African ministers would evaluate the situation and give directions for further negotiations, which may not start until next week.

“This is an African issue, people are dying of HIV/AIDS.... There is a need for us to have a solution,” one African delegate involved in the discussions said. He said that the “ultimate object” of the African group is to resolve the issue before Hong Kong. The African delegate said that the African group hoped that the EU or the US would compromise and move towards the African position, but he also signaled that the African group “had to look at reality.” The delegate said that “we should conclude it in a hurry” but also emphasised that it was important to get it right. In any case there should be a focus on “substance” and not the emotional aspects of the negotiation, he said.

However, another Geneva source said that the US and EU were “not giving anything,” making a solution before Hong Kong questionable. The EU and the US are also not likely to fight each other on the issue of the chairman’s statement, the source said.

This is a summary of an article produced by IP Watch. The full article is found at www.ipwatch.org/weblog/index.php?p=147&res=1152_ff&print=0

6. Get informed: New info booklets on the WTO negotiations

A couple of great new Australian publications have been released in the lead-up to the WTO Ministerial.

Global Trade Watch has produced an updated version of the People’s Guide to the WTO. This is available on the internet at www.tradewatchoz.org or contact Global Trade Watch at info@globaltradewatch.org to ask for some copies for your community.

AID/WATCH have produced a booklet on ‘Reframing the trade justice debate’. This booklet was launched at a public forum on the WTO organised by The Commons Institute, AFTINET, AID/WATCH and the Research Institute for International Activism. Copies are available from www.aidwatch.org.au.

7. Get involved: Events in December in the lead up to the WTO Ministerial

In Sydney ...

- **AFTINET lunchtime documentary screening: ‘The WTO: Why is it really bad for you?’**

When: 12:30pm, Wednesday 7 December

Where Waratah Room, Level 7, Parliament House, Macquarie St, Sydney

This is a short documentary made by Focus on the Global South in Thailand. It will be followed by a brief update on the state of play in negotiations and discussion!

- **Public rally for trade justice!**

When 12:30pm Tuesday 13 December

Where Outside the offices of the Department of Foreign Affairs and Trade
Angel Place, 123 Pitt St, Sydney

Speakers Pat Ranald (AFTINET & Public Interest Advocacy Centre)
Sally McManus (Australian Services Union)
Margaret DiNicola (Oxfam)
Suzette Clark (Australian Catholic Social Justice Council)

Let's bring these negotiations out from behind closed doors! This rally will coincide with a massive opening people's rally in Hong Kong. Let the Government know that essential services should be decided democratically at the local and national level and not signed away in trade agreements!

Come along and bring a friend and a banner from your organisation or a colourful banner you made yourself!

In Melbourne ...

- **7pm, Tuesday 6 December: Launch of the "The WTO: An Australian Guide"**
Global Trade Watch will launch their new guide to the World Trade Organisation. There will also be a viewing of the new film "WTO: Why is it REALLY bad for you", produced by Focus on the Global South. WHERE: Friends of the Earth bookshop, 312 Smith Street Collingwood. More info: info@tradewatchoz.org
- **11:45 – 1:45pm, Friday 9 December: Make Poverty History Walk**
Join Oxfam's donkey caravan at the State Library for a Make Poverty History Trade Justice Walk from the French Consulate to the British Consulate. Oxfam Australia Executive Director Andrew Hewett will launch the event. Be sure to wear your Make Poverty History t-shirt or something white. WHERE: Meet at the State Library of Victoria lawns, Swanston Street, Melbourne. More info: terrencer@oxfam.org.au

And in Perth ...

- **1pm, Friday 9 December: Bang the gong for Hong Kong**
Give unfair trade rules the gong by delivering grain and a Make Trade Fair message to the United States Consulate. Wear white, put on your white band and be prepared to make a big noise. WHERE: Meet at the front of the Perth Concert Hall, opposite the United States Consulate, 16 St Georges Terrace, Perth