

# **AFTINET BULLETIN NO.1**

## **March 8, 2000**

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### **1) Updates on WTO decision on Australian salmon quarantine laws.**

a)The following Letter from AFTINET to editors was sent sent 23/2/2000.

It did not get a run but the Sydney Morning Herald ran a feature story by Andrew Darby on Sat 26/2/2000 which was good coverage of the issues and the Tasmanian position.

“The World Trade Organisation dispute panel decision against Australian quarantine provisions to control the spread of disease from the import of fresh salmon (SMH 21/2, p6) sounds another warning bell about the powers of the WTO to restrict the scope of legitimate government regulation.

The Dispute Settlement panel found in favour of a Canadian complaint that Australian quarantine rules which required the salmon to be gilled, gutted and in consumer-ready packaging were too restrictive for importers to comply with. This was despite the finding of the panel that there were justified concerns about disease spreading into Australian fisheries from the import of whole fresh salmon. The Tasmanian government has in the meantime banned imports of fresh salmon, claiming its salmon industry could be wiped out by imported disease. Australia now faces trade sanctions unless it relaxes its quarantine rules.

Last year the WTO also ruled against European Union requirements for labelling of beef containing hormones and against an industry development grant to an Australian company exporting leather to the United States. Growing public concern at these trends have been expressed through the successful campaign against the Multilateral Agreement on Investment in 1998 and the demonstrations and collapse of the Seattle WTO Ministerial Meeting in November 1999.

The aim of the WTO is to create uniform and predictable investment conditions for business around the world. But this is eroding legitimate regulatory standards in a forum which is beyond the reach of democratic accountability.

A wide range of community organisations, including the Australian Conservation Council, the Australian Council of Social Services, the Australian Council of Overseas Aid and the Australian Council of Trade Unions has formed the Australian Fair Trade and Investment Network. The network welcomes the development of fair trading relationships with all countries. It calls for greater public discussion and accountability for government trade policy and for international trade negotiation processes. It supports a critical re-assessment of the WTO framework, structures and dispute processes. It seeks to develop a trade policy

framework which does not erode the ability to regulate on issues of economic development, the environment and human rights . The network can be contacted through the Public Interest Advocacy Centre address below.”

b) The chair of the Senate Rural and Regional Affairs and Transport Committee has announced that the report on the decision to allow imports of salmon products into Australia will be tabled on or before 16 March.

StopMAI (WA) intends to issue a media release on March 9 or 10 expressing support for the Tasmanian Parliament’s unanimous opposition to the Commonwealth’s meek acceptance of the WTO ruling.

Copies of the draft are available on the website below.

Regards, Brian Jenkins

URLs for latest official documents are at <http://members.iinet.net.au/~jenks/salmon4.html#D>

From: “Brian Jenkins” <[jenks@iinet.net.au](mailto:jenks@iinet.net.au)>

## 2) OECD Guidelines on Multinational Enterprises

Material about the proposed changes to the draft guidelines was circulated to the AFTINET list and about 10 organisations attended the Treasury Consultations in Sydney and Melbourne. There was widespread criticism of the non-binding nature of the guidelines. Given that the Treasury position appears fixed, organisations can also send their submissions to the OECD ([www.oecd.org](http://www.oecd.org)) or to the relevant international peak bodies which are making representations direct to the OECD.

Jagjip Plahe from World Vision in Melbourne is interested in doing a coordinated submission from a number of organisations to have more impact on the Australian government position. She can be contacted at [plahej@wva.org.au](mailto:plahej@wva.org.au) or (03) 9287 2383.

## 3) WTO and Genetically modified organisms.

The Codex Alimentarius Commission, which is the body used by the WTO for standards on food health and safety issues, has issued a summary of the Cartagena Biosafety Protocol on Living Modified Organisms which some NGOs claim distorts the meaning of the protocol. If adopted by the WTO, this interpretation could limit the ability of governments to regulate on this issue to a far greater degree than was agreed in the Protocol. Below is a letter which is seeking endorsements by message to Kristin Dawkins [kdawkins@iatp.org](mailto:kdawkins@iatp.org) by March 7. Unfortunately this information was only received yesterday. Those interested may want to try for late endorsement or send their own letter based on this info .

Thomas Billy  
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Dear Mr. Billy:

We are writing to you, as Chair of the Codex Alimentarius Commission, in regard to the mischaracterizations of the Cartagena Protocol on Biosafety that appear in document CX/FTB/00/3 Add, dated February 2000. We must consider these mischaracterizations as deliberate, considering that the full document is well-known to governments and NGOs alike. Thus, we are concerned that the Codex Secretariat and Executive Committee are attempting to undermine the Biosafety Protocol.

This concern is substantial because Codex is recognized by the World Trade Organization, in the text on Sanitary and Phytosanitary Measures, as the presumptive body on standards for food safety. As written, the Codex summary of the Cartagena Protocol could be viewed as preparatory to a WTO

action intended to force nations to accept GMO imports or pay penalties for lost trade revenues, contrary to the provisions of the Protocol.

This Codex document is being circulated in advance of the upcoming first meeting of the Ad Hoc Intergovernmental Task Force on Foods Derived from Biotechnology on the “Review of the Work By International Organizations on the Evaluation of the Safety and Nutrition Aspects of Foods Derived from Biotechnology.” Its attempt to reduce the Protocol’s text to 1 1/2 pages of explanation contains major inaccuracies related to commodities, the Precautionary Principle, and the relationship of the Protocol to the WTO—i.e., the precise issues which dominated the Protocol negotiations that were finally resolved last month in Montreal. It is important for Codex to act in good faith to accurately reflect the delicate balance of this resolution. We urgently request that the existing summary document be withdrawn and an accurate, corrected summary be distributed in its stead.

Specifically, we direct your attention to the following inaccuracies:

The Codex document says:

“The advanced informed agreement process does not apply to LMOs intended for direct use as food or feed, or for processing,” that is, living modified organisms which are traded as commodities.

In Fact:

The actual text of the Protocol (Article 11.4) **ALLOWS** a country to refuse an LMO/FFP import, under their domestic laws, based on just such a process of information sharing and risk assessment, and the country may require actual explicit consent in advance of introducing these LMOs. (Indeed, Article 11.6 specifically privileges developing and Eastern European countries to do so before they even have domestic law in place.)

The Codex document says:

The language on the handling, transport, and identification of LMO/FFPs provides that the parties “will consider the need for developing standards” and that “this consideration will be effected two years after the entry into force” of the Protocol.

In Fact:

The actual text of the Protocol (Art. 18.2) requires an identification label **AT ONCE**, and also stipulates that “detailed requirements for this purpose, including specification of their identity” shall be adopted within 2 years. In other words, the “need” for special handling, transport, packaging and identification has **ALREADY** been determined.

The Codex document says:  
The Protocol is based on a “precautionary approach.”

In Fact:

The Protocol negotiations specifically REJECTED that formulation. True, the “approach” is “reaffirmed,” but only in the non-operative Preamble; the substantive text of the Protocol provides (at 2 different places, Articles 10.6 and 11.8) explicit text to operationalize the Precautionary Principle.

The Codex document states:

“Risk assessments shall be carried out in a scientifically sound manner taking into account risks to human health.”

In Fact:

The Protocol also allows countries to consider the socio-economic effects of importing an LMO as well (Article 26). And, of course, under the Precautionary Principle language noted above, “lack of scientific certainty. . . shall not prevent” a country “from taking a decision, as appropriate, with regard to the import” of an LMO.

The Codex document says:

In regard to the Protocol and “trade agreements” (a phrase that, in fact, does not appear in the Protocol text), that “none of them should be subordinated to the other.”

In Fact:

The Protocol actually states that nothing in the text “is... intended to subordinate this Protocol to other international agreements.” There is, in fact, no language that prevents the WTO agreements, for example, from being subordinated to the Protocol. Countries that are parties to both agreements have accepted the Protocol as the superior instrument as regards to the subject matter therein.

As a result of these mischaracterizations, document CZ/FBT/00/3 Add. is quite distorted and misleading, and fails to convey an accurate view of the Cartagena Protocol to its readers by reaching conclusions that are not supported by the facts. Thus, it cannot well serve the attendees at the upcoming meeting who may not know the Protocol’s actual provisions. We, therefore, respectfully ask that a new truthful document be issued in its place. Many of the signatories below will be at the meeting in Chiba, Japan, and will be following the future work of Codex, especially regarding genetically engineered foods. We pledge to be vigilant in protecting the integrity of the Cartagena Protocol on Biosafety.

Very truly yours,

Philip L. Bereano, Council for Responsible Genetics  
Washington Biotechnology Action Council, USA

Kristin Dawkins, Institute for Agriculture and Trade Policy, USA

Rodney E. Leonard, Community Nutrition Institute, USA

#### 4) Coming Events

a) A rally on the theme of corporate power is being organised in Sydney on May 1 by a coalition of student and union organisations. Further details are available from [jgoodman@uts.edu.au](mailto:jgoodman@uts.edu.au)

b) In September the World Economic Forum will hold the Asia-Pacific Economic Summit, "Asia/Pacific in the 21st Century: Leveraging the new drivers of growth", in Melbourne. The Summit is jointly sponsored by the Business Council of Australia and the Australian Davos Connection (the Australian arm of the World Economic Forum) and will take place at the Crown Casino, September 11-13.

The World Economic Forum is an organisation made up of the 1000 richest global companies. It holds summits every February in the Swiss mountain resort town of Davos with a restricted invited list of politicians, academics and influential media.

The S11 alliance is organising alternative events and protests against the neo-liberal policies promoted by the World Economic Forum.

Contact the s11 alliance at <[s11\\_@hotmail.com](mailto:s11_@hotmail.com)> for more information.

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