



TRADE JUSTICE NOW!

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Message from the Coordinator

Ni sa bula vinaka and warm greetings to all our supporters. As we wind down to another exceptionally productive year, in this edition we look at Vanuatu's WTO Accession process, the highs and the lows, as well as the growing public opposition to experimental seabed mining in the region.



The highs and the lows of Vanuatu's WTO Accession

Despite being a Least Developed Country (LDC), Vanuatu's package for accession sees it committing far more than is required of LDCs, going well beyond the 2002 Guidelines for accession, making greater commitments than many rich countries have made in certain areas. They also acceding the day after the WTO agreed to benchmarking LDC accession with existing LDC commitments which would have made the package far better for local producers and more tariff revenues for the government coffers.

The Vanuatu government chose not to seek an extension to accession to take into consideration the most significant improvement of LDC accession terms since the WTO began in 1995. Instead the Vanuatu government chose to silence their own people by cancelling a permit to hold peaceful protest, threatened to review the NGO Act, while a Prime Ministerial directive to have a UN mission cease its work to assess the human rights impact of WTO accession, when they had prior shown support for such important work.

In view of the growing threat against its own people, 31 international, regional and national NGOs along with support of individuals signed a petition expressing our deep solidarity and support for the ongoing struggles of local communities, NGOs, Churches, Chiefs and business individuals in Vanuatu calling for urgent and meaningful dialogue with their government on the recent decision of Vanuatu accession to the World Trade Organisation (WTO). Despite the massive public opposition in Vanuatu to its accession the Vanuatu government has acceded it to the WTO on arguably one of the worst accession terms for an LDC when it could have asked to use the improved guidelines.

Growing International Opposition to Experimental Sea bed mining

On the 1st of December Pacific Civil Society groups put out a petition to express deep concern over steps taken to legitimize and fast-track experimental seabed mining as a development option in the Pacific region. The petition which is currently open for signatories until the end of February 2012 was launched by a coalition of concerned international, regional and national NGOs to coincide with a regional meeting that was held in Nadi, Fiji islands on the topic.

Since the launch the petition has received international support from as far as Nigeria and Guyana, as well as from trade unions in Canada, from indigenous groups in Asia, Hawaii and the Pacific. We urge everyone to sign onto the petition which we hope to

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present to Pacific Island Governments at the end of February 2012 (**please refer to petition on page 5**).

The public opposition rally comes on the back of increasing scientific evidence that we are clearly out of our depth when dealing with this new experimental industry! We remind technical agencies and donors such as SOPAC and the EU to recognise that their overall responsibility is to ensure the common heritage and sustainable development for all, especially the people of the region. The people of the Pacific require much more scientific evidence before our environment and its peoples can again be used as a testing ground for the rest of the world.

We have much work to do in 2012 but would like to take

this opportunity to thank our hard working partners on the ground whose struggles against transnational corporation and governments continue to remind us of why we exist as an organisation. We also thank our funding partners who continue to support our efforts towards a just and peaceful Pacific.

From the Pacific Network team in Australia and Suva have a blessed Christmas break and see you all in the New Year.

Vinaka.

Maureen Penjueli



WTO Update

Vanuatu and Samoa continue on path to WTO as better

On December 1st the Vanuatu Parliament voted in favour of ratification of the WTO accession package. It was reported that the vote was 25 in favour to 18 against. This comes after more protests have been refused permission by the government and threats have been made to review the status of those bodies campaigning against accession.

The vote has caused controversy and confusion within Vanuatu as it is not clear that WTO membership has in fact been voted on. During the debate the Vanuatu Opposition argued that by not including the Marrakesh Agreement (the treaty that established the WTO) within the legislation then it is not in fact legislation that will ratify membership. Further to this the Opposition is claiming that the constitutionality of the legislation is under question as any legislation that concerns international treaties must be tabled 10 days before debate – something they claim hasn't happened.

The Opposition and civil society representatives are calling on the President to send the legislation to a court of appeal before any decision to approve is made.

The passing of Vanuatu's legislation in Parliament comes the day after the WTO General Council agreed to look into benchmarking the accession process for Least Developed Countries, a status shared by both Vanuatu

and Samoa.

The WTO agreed to “develop recommendations to further strengthen, streamline and operationalize the 2002 guidelines by, *inter alia*, including benchmarks, in particular in the area of goods, which take into account the level of commitments undertaken by existing LDC Members. Benchmarks in the area of services should also be explored.”

Such an agreement is a significant achievement within the WTO for both LDCs and those considering acceding. The original 2002 guidelines, which were partially a response to the Vanuatu experience of acceding, have provided some guidelines but have relied upon existing members to adopt them in good faith. If the benchmarking is to be set to existing WTO members then it would provide a significantly better package for Vanuatu and Samoa.

In regards to average bound tariff rates, benchmarking according to LDC members would see average bound tariffs stand at 79% for agricultural goods and 44% for manufactured products. This is in contrast to Vanuatu's average bound tariff rate of 43.6% for agricultural goods and 39.1% for manufactured products. Samoa's total average bound rate for accession is 21% according to the WTO. These higher average bound rates would

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Further to this, Vanuatu currently has bound 100% of its tariff lines under the proposed accession package. If the LDC benchmarks were applied according to original LDC members then under manufacturing only 48% of tariff lines would have to be bound, that's 52% of Vanuatu's manufacturing tariffs that not restricted under the WTO.

Vanuatu has set the precedent in having the accession package renegotiated prior to General Council approval so the option is still open for Samoa to wait and see what the benchmarks yield before final approval. Vanuatu, having recently had the General Council approve its package is still technically able to ask for renegotiation but it is a grey area as to whether or not this is possible as it's never been done so late in the game before.

For both countries some hard questions should be asked of the officials who are responsible for accession. The proposals for LDC accession benchmarking have been on the table for a while now and one would hope that delegations in Geneva would be following such essential discussions and feeding those back to the capital. If even the WTO is recognising that for LDCs the price of admission is too high then why would the LDCs continue to want to over-pay.



Samoa rewarded for turkey tail turnaround

Samoa has lifted a ban imported American turkey tails and as a reward for doing so it will now be admitted to the World Trade Organization.

Samoa has been trying for 13 years to enter, but its ban on high fat turkey tails has kept it out.

Turkey tails, like chicken frames and New Zealand's mutton flaps, are off-cuts of the food manufacturing industry and despite their high fat content, are sold to mainly Third World markets.

WTO says Samoa's membership will be finalised next month conditional on it eliminating "the prohibition on the importation and domestic distribution of turkey tails and turkey products".

WTO Director-General Pascal Lamy welcomed Samoa's move, saying it will "enable Samoa to participate more fully in the global economy and will provide the country with a predictable and stable basis for growth and development."

In New Zealand the ending of the ban was termed "highly problematic" by Associate Professor Nick Wilson of the University of Otago Medical School at Wellington.

"From a public health perspective the decision to allow turkey tails...will fuel the epidemics of obesity, diabetes and cardiovascular disease that are hitting Pacific Island nations," he said.

Bloomberg news agency said New Zealand Trade Minister Tim Groser supported lifting the ban.

"Trade bans on selected items are unlikely to be effective in addressing obesity and health issues," his spokeswoman said in an e-mail.

Samoans are not so sure, especially Health Ministry chief executive Palanitina Tupuimatagi Toelupe who first banned the tails in 2007.

"These are the contradictions we have to face, where health is compromised for the sake of trade and development," he told Bloomberg.

At the time of the ban he said it was a health preventive measure to cope with worsening levels of diabetes, high blood pressure and heart and kidney failure.

The USA Poultry and Egg Export Council welcomed the end on the ban, telling Bloomberg that it was the "consumers' right to determine what foods they wish to

consume, not the government's."

WTO critics claim the Washington based International Food and Beverage Alliance, formed by Kraft, Coca-Cola and General Mills, is behind the pressure to end food type bans.

"This is not true," spokeswoman Jane Reid said.

"(The Alliance) has had no involvement whatsoever in the issue."

A 2009 paper in the New Zealand Medical Journal on new Zealand's impact on Pacific health says "many researchers have reported that excess consumption of imported food, especially imported fatty meats, has a causative relationship with endemic obesity in the Pacific.

"Some Pacific nations have attempted to reduce high fat imports under domestic law. Fiji banned mutton flap imports in 2000 and New Zealand responded by

threatening to refer the issue to the WTO."

Professor Wilson, who co-authored the study, says with the lifting of the ban on turkey tails, Samoa could supplement its own soft drink tax with a hefty tax on foods that are high in saturated fat— such as turkey tails from America and mutton flaps from New Zealand.

He says the evidence favours such taxes as seen in a recent study of soft drink taxes in Samoa, Fiji, Nauru and French Polynesia.

"Such taxes can also provide revenue to fund health and social services."

Source: AUCKLAND NOW/PACNEWS

Kommunity Pasifika

SPC/SOPAC project on experimental seabed mining disenfranchises Pacific people

December 12th 2011

By Effrey Dademo

The Deep Sea Minerals Project of the SPC (Secretariat of the Pacific Community) disenfranchises indigenous people and promotes the interests of big mining companies at the expense of local communities.

The project, which aims to develop a 'viable and sustainable marine minerals industry' is focused on the development of experimental seabed mining across the Pacific region. The project key objectives are to deliver the necessary legislation, regulatory framework, national policies and management and monitoring systems for the untested mining of minerals from the sea floor.

The project is being funded by the European Union and implemented by the Applied Geoscience and Technology Division (SOPAC) of the SPC.

The Project has employed a British lawyer, Hannah Lily who said in a recent ABC Radio interview, her role is to "put in place legislation that will make sure that any

activities on the sea bed are conducted in a careful and a sustainable way".

But the drafting of laws to facilitate experimental seabed mining disenfranchises Pacific people's who have not yet made an informed decision on whether they want to be the guinea pigs for this type of mining.

Rather than listening to indigenous voices, SOPAC and the SPC are dancing to the tune of the foreign owned mining industry which is keen to start mining as soon as possible, which could be as early as 2013 in the case of Papua New Guinea.

Although Ms Lily says any new laws should "protect the marine environment and also ensure that any income that arises from this mining is used in a sustainable that benefits citizens of each country", the SOPAC project ignores our history and experience in the Pacific.

Firstly, trying to use legislation to effect positive environment and social outcomes hands control to the mining companies and further disenfranchises indigenous people as access to the law and the courts is

not a level playing field. Just compare the scientific and legal resources of BHP or Rio Tinto versus those of even the government's of Tonga or Nauru let alone communities living in isolated rural communities. Is the SOPAC project going to provide indigenous communities with access to the best scientists and lawyers when contracts are negotiated and disputed arise? Of course not!

Secondly, drafting legislation may be well and good, but even if the mining industry and its expensive lobbyists are kept out of the SOPAC drafting processes (and there is already little sign of that with Nautilus Minerals being given a seat at the high table), the legislation still has to be passed by governments and politicians in individual countries who are easy prey for the cashed up miners who can introduce any amendments they want to water down the proposals.

And then there are the problems of enforcement. Good laws do not prevent environmental disasters or provide justice for the people. In her interview Ms Lily said that "robust legislation" can effectively regulate and monitor deep sea mineral mining and protect Pacific countries "from any damage that may occur". But this has not been our experience in the Pacific. In Papua New Guinea, for example, the Constitution, national Goals and environmental laws provide stellar protection for the environment and people's human rights but that has not helped indigenous communities who have suffered at the hands of the world's largest mining companies BHP Billiton (Ok Tedi and the destruction of the Fly river) and Rio Tinto (Panguna and the war on Bougainville).

Also legislation cannot stop the corrupt and the greedy from getting their hands on the incomes that mining will provide to national governments and local communities. Trust funds state owned enterprises, and wealth funds are all easily cracked open by politicians, bureaucrats and local chiefs who are well versed in how to steal public monies and are supported by countries like Australia and Singapore who help hide their ill-gotten gains out of the way of local law enforcement agencies.

Finally, no extractive mining industry can ever be sustainable, which is the stated aim of SOPAC's project. As soon as the minerals are dug up the mining moves on and nothing can replace the resources taken or undo the inevitable environmental damage and in the case of the experimental sea-bed mines the life of the mines could be as short as just two or three years.

It is naive to believe that legislation to govern experimental seabed mining can put the checks and controls in place that will provide clarity and security, ensure the precautionary principle is followed and best environmental practices is followed. With their Deep Sea Minerals Project, SOPAC and the SPC are ignoring the realities of governance in the Pacific, unequal access to the legal system, the power of large corporations and their record of environmental and social destruction.

Source: ACTNOW

Pacific Civil Society says: 'Slow down! Experimental Seabed Mining is not a sustainable development option'

Pacific civil society organisations have launched a petition calling on their governments to slow the development of experimental seabed mining at a crucial time for the new industry in the region.

The International Seabed Authority (ISA) with the Government of Fiji and the Secretariat of the Pacific Community (SPC) SOPAC Division hosted an International Workshop on the Exploitation of Deep Sea Minerals.

The workshop reflects the increasing interesting and associated concerns on the potential impact of

experimental deep sea mining and how governments and the ISA will try to regulate this emerging industry.

In response to government efforts to legitimize experimental seabed mining through the development of legislation, a new Pacific grassroots movement is being launched to express deep concern over the fast-tracking of experimental seabed mining as an option in the Pacific.

"We stood together as a region when nuclear proliferation was being pushed by external parties, and we will do so again against new forms of human rights

violations and unsustainable development, such as the king being pushed based on danger-filled extractive industries”, says Effrey Dademo.

Civil Society is asking all on government organisations and individuals to support the petition by:

- Signing the petition by sending an email to research@pang.org.fj or coordinator@pang.org.fj
- Promoting the petition on websites and through their own networks to encourage others to sign

The petition is open for signatories until the end of February 2012 when it be presented to heads of governments of the 15 Pacific countries included in the European Union funded project titled “Deep Sea Minerals in the Pacific Island Region: a Legal and Fiscal Framework for Sustainable Resource Management”.

The Petition has been launched by the following organisations:

- ActNOW, Papua New Guinea
- Bismarck Ramu Group, Papua New Guinea
- Women’s Action for Change, Fiji

- Pacific Conference of Churches, Fiji
- Pacific Network on Globalisation, Fiji
- Development Alternatives with Women for a New Era (DAWN), International

Source: Papua New Guinea Mine Watch

***Petition can be accessed :**

<http://ramumine.wordpress.com/2011/12/02/civil-society-calls-on-pacific-govts-to-slow-down-on-experimental-seabed-mining/>

Or :

<http://www.pang.org.fj>

Report says experimental seabed mining an unacceptable risk

A new report titled “Out of Our Depth” details serious environmental and social impacts expected as a result of unprecedented mining of the ocean floor in PNG.

Canadian mining company Nautilus Minerals Inc. (Nautilus) plans to extract gold and copper from the floor of the Bismarck Sea in 2012 at its Solwara 1 project. The project will mine active and inactive hydrothermal vents at 1.46 kilometres under the sea. Thousands of these vents over an 11 hectare area will be destroyed. Possibly the origins of life on earth, these high-temperature underwater vents host unique species, most of which have not yet been identified or studied.

The underwater mine site is located close to coastal communities that rely heavily on sea food for diet and income. The project is raising alarm among these directly affected communities, as well as among PNG citizens who question the environmental process that led to the licensing of the project.

Moses Murray, advisor to the “sea bed mining forum” of

community organisations from new Ireland Province, East New Britain and Madang, says:

“The PNG Constitution in its preamble provides for sharing of natural resources with future generations. The current trend shown by our political leaders have taken the direction that they are not worried about the future generations anymore. It is “ the now” that matters to them. Every mine of Inad, be they gas, oil, and other natural resources including mining under the ocean is set to be opened. The brain, pen and ink used to draft the preamble of the Constitution was a waste of time.”

Helen Rosenbaum, author of the report, says “*Nautilus has prepared a deeply flawed Environmental Impact Statement. For example, the company has insufficiently tested the toxicity of its process on vent species, and has not sufficiently considered toxic effects on organisms in the marine food chain.*”

Catherine Coumans of MiningWatch Canada, an editor for the report notes: “*once again a Canadian company is set to inflict unusual environmental and social harm in*

Papua New Guinea in a way that would not be permitted in Canada. Canadian mining company Placer Dome dumped mine waste into the sea for many years and Barrick Gold is currently using a major river system as a mine waste dump. It is tragic that Canadian mining companies are profiting from weak governance in Papua New Guinea.”

<http://ramumine.files.wordpress.com/2011/11/out-of-our-depth.pdf>

SOURCE: Papua New Guinea Mine Watch

To access the report click:

Upcoming Events?

WTO Ministerial- 15th-17th December 2012– Geneva, Switzerland

PACER Plus NSA Dialogue– 26th March 2012– Brisbane, Australia

Forum Trade Officials Meeting on PACER Plus—27-29th March 2012– Brisbane , Australia

Joint EU/PACP EPA Negotiations TBC– March/April 2012- (Brussels)

For comments or feedback, please send to: research@pang.org.fj or coordinator@pang.org.fj.