



- Four New Parliamentary Inquiries Show Australian Trade Policy is Failing in the Pacific
- The Health and Safety of the People of Vanuatu
- Global NGOs Call for Suspension of WTO Talks on Fisheries Subsidies

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“In every crisis, doubt or confusion, take the higher path – the path of compassion, courage, understanding and love.”

~ Amit Ray

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FOUR NEW PARLIAMENTARY INQUIRIES SHOW AUSTRALIAN TRADE POLICY IS FAILING IN THE PACIFIC

“Australian government ministers have initiated four separate Parliamentary Inquiries into Australia’s diplomatic, defence and trade relationships with the Pacific Islands. This shows that the government is worried by the deterioration in its relationships with the Pacific,” said Dr Patricia Ranald of the Australian Fair Trade and Investment Network (AFTINET). She believes the Australian Government is concerned that Fiji and PNG have not signed PACER Plus, the proposed free trade agreement between the Forum Island Countries and Australia and New Zealand, since it was completed in 2018, and that only three Pacific Island countries – Samoa, Kiribati and Tonga - have ratified it so far.

Fiji and PNG make up over 80% of Pacific island output. Dr Ranald said, the two countries have not signed PACER Plus because they say the deal is lopsided and does not meet their development needs. They already have tariff free access to Australia. PACER Plus mainly advantages Australia and New Zealand through reducing Pacific island tariffs on imports and reducing controls on foreign investment.

Pacific island governments have said consistently that their priority is addressing the climate change crisis, not trade agreements.

“The Australian government has failed to address climate change issues in a way that is meaningful for the Pacific, which has damaged the relationship. This has created the context for China and others to compete for influence, which now appears to be the Australian government’s main concern,” said Dr Ranald.

In 2018, an Australian Parliamentary Committee Inquiry Report acknowledged the potential negative impacts of PACER Plus on small and vulnerable Pacific Island economies.

“Most Pacific Islands are still local farming and fishing economies, with dispersed populations and high transport costs, and are dependent on import tariffs, which make up 10 to 20 percent of government revenue,” said Dr Ranald, explaining that the report warned that the loss of revenue from tariffs could also result in cuts to essential government services in areas like health and education.

The report also noted that development assistance funds given to the Pacific island countries to implement PACER Plus were not additional funds but were coming from the existing Australian aid budget, and therefore depriving the Pacific Islands of funds they could have used for different purposes.

But the Australian Government has not so far acknowledged these flaws in the deal, continues Dr Ranald.

“Trade Minister Birmingham has still been pressuring more Pacific Island governments to sign and ratify PACER Plus. We can only hope that the multiple parliamentary inquiries will provide an opportunity for the government to actually listen and understand the real needs and priorities of the Pacific. AFTINET will be making a submission to the trade inquiry.”

Sources: Dr Patricia Ranald, AFTINET, Pacnews 4 March 2020, www.pina.com.fj / Edited by Rosamund Burton

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THE HEALTH AND SAFETY OF THE PEOPLE OF VANUATU

The severe Tropical Cyclone Harold, which hit Vanuatu in early April has caused devastating damage, killing three people, and leaving more than a third of the population’s 300,000 people without homes. Relief efforts have been hampered because of the coronavirus restrictions in place. The cost of repairing the damage is believed to be in the region of \$600 million, around half the country’s Gross Domestic Product (GDP). There have been no cases of COVID-19 in Vanuatu at time of writing, but a state of emergency was declared in late March, with the limiting of social gatherings, and the shutting down of all non-essential

businesses, because if an outbreak occurred there are fears that the health system would become overwhelmed. The COVID-19 pandemic has also meant the large numbers of people working in the tourism sector are now unemployed.

As the new government, led by Prime Minister, Bob Loughman, takes control of managing the recovery and the coronavirus state of emergency, another major issue for Vanuatu is the urgent need to reduce Non-Communicable Diseases (NCDs).

Before the elections in mid-March the Ministry of Health (MOH) wrote a report on the taxing of imported products to encourage people to eat healthier local produce and reduce NCDs.

The report, entitled *Taxing sugar to reduce the national burden of Non-Communicable Diseases*, was endorsed by the Council of Ministers (COM), and recommends imposing excise taxes on all imported products with high sugar-content. In 2014, the Government through the COM imposed an excise tax on 'sugary' drinks at Vt50 per litre.

In March this year, when Donald Pelam was still Acting Director of the Department of Public Health, he said,

“Seventy-five per cent of the deaths in our hospitals are related to NCDs,” and that 25-50% of the population is affected by the chronic diseases. NCDs, such as diabetes, heart disease, stroke and cancer, are recognised throughout the world as the leading causes of premature death and major contributors to disability and incapacity. Introducing this tax Director Pelam believed would reduce the number of amputations doctors needed to perform.

According to the ABC's Pacific Beat on average four limbs are amputated per week at Port Vila's Central Hospital as a result of diabetes. The cause for the amputations, said Julie Shugg of the Amputee Association in Vanuatu “is predominantly Type 2 diabetes, diet-related and nearly always preventable.”

Director Pelam said putting taxes on imported food would discourage sales due to increased prices, and encourage people to adopt healthier diet practices by switching to local produce. However, many vegetable gardens have been damaged by the recent cyclone, which is a major setback.

Recently, Donald Pelam left the Department of Public Health, and the former director, Len Tarivonda, was reinstated to the position, so he will be addressing this complex health issue.

Sources: Adorina Massing, Daily Post, 9 March 2020, www.dailypost.vu / Anita Roberts, Daily Post, 22 April 2020, www.dailypost.vu / ABC Pacific Beat, 8 April 2020 / Prianka Srinivasan, ABC Pacific Beat, 13 September 2019 / Edited by Rosamund Burton

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GLOBAL NGOs CALL FOR SUSPENSION OF WTO TALKS ON FISHERIES SUBSIDIES

A letter signed by over 150 non-government organisations (NGOs) from all around the globe has called on the World Trade Organisation (WTO) to suspend its negotiations on fisheries subsidies due to the COVID19 pandemic. Negotiations on fisheries subsidies were scheduled to finish in June 2020. However, the cancellation of the WTO Ministerial Conference in Kazakhstan, and the fact that the WTO is unable to meet face-to-face in Geneva, are making negotiations hard, especially for developing countries as talks move to a proposed virtual

format, using video conferencing and via computer, rather than having face-to-face meetings.

“The world is facing an enormous crisis with governments turning all their attention and resources to protecting the health and safety of their people. It is inappropriate for the WTO to push on with virtual negotiations under such arduous conditions,” said Adam Wolfenden, Campaigner for the Pacific Network on Globalisation (PANG), which is based in Fiji, and one of the organisations behind the letter.

The signatories, including over 20 organisations from the Pacific region, are calling on the WTO and the Chair of negotiations to “immediately halt the fisheries negotiations and ask Member States to discontinue participating in this process until it can be pursued in a transparent, inclusive and rational manner, which is not possible at present.

The WTO recently had to cancel a virtual meeting due to poor connectivity issues. The meeting was to discuss proposals by India and the Least Developed Country (LDC) Group which, along with the Africa, Caribbean and Pacific Group (ACP), were unhappy about the draft of the fisheries subsidies agreement.

“It is concerning that a number of developing countries, including those most vulnerable, are saying that development flexibilities aren't being included adequately in this round of negotiations. These countries must be able to support their small scale fisheries as well as retain the right to develop local fleets to fish in their waters” continued Wolfenden.

Negotiators on fisheries subsidies in the WTO have been aiming to meet the 2020 targets on eliminating subsidies for Illegal, Unregulated and Unreported fishing as well as prohibiting subsidies that contribute to overfishing whilst providing adequate special and differential treatment for developing countries.

“These negotiations are proceeding at an inappropriate time and in an inappropriate way and the developing countries will shoulder the burden if this continues. A number of the current proposals will remove the ability of developing countries to develop sustainable domestic industries as well as determine how they manage their natural resources, so the stakes are high,” Wolfenden concluded.

Sources: PANG, Pacnews 3 April 2020 / Edited by Rosamund Burton.

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