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## USA-MEXICO FIGHT OVER GENETICALLY ENGINEERED CORN THE WORLD IS WATCHING THIS DISPUTE

From now to February, a North American trade dispute panel will weigh the interests of powerful USA biotech firms and companies dealing in chemicals and agribusiness against those of small, rural and indigenous Mexican farmers.

The case before the panel will probe the connections and contradictions between trade commitments of countries and their other more important obligations to Indigenous Peoples and the protection of plant and animal biodiversity. The results of this dispute could test the limits of North American diplomacy and strain political support for the new Canada-USA-Mexico Agreement (CUSMA) ahead of important elections in at least two of the three countries. More importantly, a loss for Mexico could scare other countries from introducing socially equitable, Earth-friendly food policies and further entrench the profit-seeking interests of monopolist agricultural firms.

The dispute began in December 2020 when the then government in Mexico announced it would be:

- 1 banning the sale, import, and use of the herbicide glyphosate.
- 2 banning the cultivation, importation, and use of genetically engineered (GE) white corn in foods for human consumption; and
- 3 banning the importation of GE yellow corn used mainly in animal feed.

Mexican farmers, Indigenous Peoples and environmental organisations celebrated the decree as a vindication of their decades-long struggle against GE cultivation and importation. The dumping of cheap, subsidised USA corn onto the Mexican market since the North American Free Trade Agreement (NAFTA) has made destitute rural communities, drastically increased migration to the USA and threatened the incredible biodiversity in Mexican maize. At last, the Mexican government was putting its foot down.

Lobbyists for USA biotech companies and agribusinesses became very angry. They claimed that the GE corn restrictions would have a catastrophic effect on USA producers and that the measures violated the food safety standards in the provisions of the new NAFTA. The United States Trade Representative took these exaggerated claims to the Mexican government and won important changes to the decree.

In February, Mexico issued a decree that limited the ban on the use of GE white corn to dough and tortillas and moved the discussion about yellow corn into the future. According to

Timothy Wise, an expert with the Institute for Agriculture and Trade Policy, this new decree would affect only a small fraction of USA white corn exports to Mexico while USA non-GE growers could increase sales to Mexico.

Despite these compromises, the USA applied more pressure by requesting consultations with Mexico under CUSMA's dispute settlement process, arguing that the GE corn decree was incompatible with the treaty's restrictive rules on food safety measures. Though Canada exports no corn to Mexico, the federal government joined those consultations on the side of the USA. The consultation was merely a formality as neither the USA nor Canada intended to back down. The USA unhelpfully rejected Mexico's offer to work jointly on an assessment of new scientific research on the potential negative impacts of GE corn on human and animal health.

On August 22, the USA requested the establishment of a CUSMA dispute panel – the fifth since July 2020 – to challenge the Mexican Corn Decree. A few days later, Canada notified its intention to participate, as a non-disputing third party, in support of the USA position and to defend 'the correct interpretation of the sanitary and phytosanitary (SPS) obligations of CUSMA.'

According to the United States Trade Representative, Mexico's food safety and sovereignty measures are not based on an "appropriate" risk assessment of GE corn, stray from 'relevant' (read: 'industry-backed') international standards and are 'more trade restrictive than required'. Basically, the USA claimed that Mexico's more precautionary approach to GE crops should be illegal under CUSMA. 'Their science is the word of God. That is not science, that is ideology', noted Victor Suarez, Mexican deputy agriculture minister, in August. Hearings in the dispute should begin by the end of November.

The odds of Mexico's winning are not great but also not zero. A similar dispute at the World Trade Organisation related to the European Union's (EU's) approval process for GE products went in favour of the USA and Canada and, therefore, of the biotech lobby. However, public support of the Mexican reforms may embolden state officials in Mexico to press on regardless of the results.

As this is being written, Mexican, USA and Canadian groups, including the Canadian Centre for Policy Alternatives (CCPA), are discussing ways to intervene in the CUSMA dispute and to draw attention to the injustice in the USA and Canadian attacks on Mexico's food sovereignty.

*Source: Stuart Trewé, 'Inside Trade', The Monitor, progressive news, views and ideas, Canadian Centre for Alternatives, November/December 2023, Slightly edited by Mary Boyd.*

## **GLOBAL ACCESS TO MEDICINES – UPDATES**

### **WHO Pandemic Agreement**

Experts are confident that the World Health Organisation's Pandemic Agreement, the latest draft of which was discussed in early November, will be adopted in May 2024 at the World Health Assembly meeting, but there are doubts on how meaningful the agreement will be.

The Pandemic Agreement intends to ensure more equitable access to medicines in the case of a future global health emergency. This could be a landmark agreement but there are concerns that key components will be watered down in order to reach an agreement. One of the main barriers to meaningful commitments is the disagreement between negotiating countries. Low-income countries have been advocating a health model based on global cooperation through waiving intellectual property rules and greater technology transfer. However, pharmaceutical companies, which have made enormous profits from existing monopoly rules, have lobbied high-income countries to oppose these changes.

Rich countries want a greater level of sharing health data. However, many low-income countries see this data as the only bargaining chip, and do not want to agree without resource sharing promises.

Rather than firm commitments on these contentious issues, much of the draft instead re-emphasises the issue of protecting sovereignty. This is in response to a backlash that the agreement, as Elon Musk describes it, risks ‘ced[ing] authority to WHO’. The Director-General of the WHO, has categorically rejected these claims, saying they are the result of ‘vested interests’ (read: ‘pharmaceutical companies’) seeking to stymie negotiations.

Another reason cited for the piecemeal progress of the negotiations is less civil society input than for previous WHO agreements. Lawrence O. Gostin, a global public health expert, says this has resulted in a less comprehensive perspective, harming the agreement.

### **South African COVID vaccine contracts reveal huge mark ups**

The South African non-government organization (NGO), *Health Justice Initiative*, won a huge victory in August 2023 when the Pretoria High Court ruled that South Africa had prevented multiple governments from releasing their COVID contract details. The level of secrecy over medical contracts has been unprecedented, as pharmaceutical companies conditioned the release of vaccines on governments signing non-disclosure agreements.

South Africa’s contracts were described by *Health Justice Bulletin* as ‘overwhelmingly one-sided’ in favour of the pharmaceutical industry. The contracts revealed that South Africa paid a huge premium for COVID vaccines. It agreed to pay and was liable for US\$734 million to four key suppliers for 67 million doses, approximately US\$11 per dose. This was significantly higher than prices paid by the European Union, for example, double the amount per dose for Oxford/AstraZeneca.

The contracts also show that South Africa assumed all the risks and costs in its COVID deals. The contracts included advance payments of almost US\$95m with no guarantee that the doses would be delivered on time. Pfizer’s contract meant South Africa could only recoup half of its advance payment if Pfizer failed to deliver. The contracts also included confidentiality and indemnification clauses, shielding the pharmaceutical companies from scrutiny and legal liability.

In early 2021 during the third wave of COVID when there were severe vaccine shortages in Africa, COVID doses were being exported from South Africa to Europe. At that time, the African Union only had enough COVID vaccines for 0.2 doses per person while the EU already had 3.5 doses per person.

A South African Health Ministry Spokesperson said ‘the government was not given any choice... Sign the contract or no vaccine’. *Health Justice Initiative* has said that the actions of pharmaceutical companies in making contracts ‘can only be described as a set of ransom negotiations’.

*Source: ‘Trade Justice Bulletin Nov 2023’, Australian Fair Trade and Investment Network (AFTINET). Slightly edited by Alison Healey.*

## **A PRAYER FOR OUR EARTH**

All-powerful God, you are present in the whole universe and in the smallest of your creatures. You embrace with your tenderness all that exists. Pour out upon us the power of your love, that we may protect life and beauty. Fill us with peace, that we may live as brothers and sisters, harming no one.

Bring healing to our lives, that we may protect the world and not prey on it, that we may sow beauty, not pollution and destruction. Touch the hearts of those who look only for gain at the expense of the poor and the earth.

Teach us to discover the worth of each thing, to be filled with awe and contemplation, to recognise that we are profoundly united with every creature as we journey towards your infinite light.

We thank you for being with us each day. Encourage us, we pray, in our struggle for justice, love and peace.

- **From Pope Francis’ *Laudato Si’***

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