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95 organisations call on trade ministers to reject proposals that allow investors to sue states in regional trade agreement

The Public Health Association of Australia (PHAA) has joined 94 organisations from across the Asia Pacific region to call on trade ministers to reject an investor state dispute settlement mechanism in the ongoing negotiations for a Regional Comprehensive Economic Partnership (RCEP) agreement.

“A proposed investor chapter to the RCEP Agreement, leaked online, includes proposals to allow foreign investors to sue governments at an international tribunal,” said Dr Belinda Townsend spokesperson for Public Health Association of Australia (PHAA).

The RCEP is being negotiated by Association of Southeast Asian Nations (ASEAN) member states and the six countries that have existing trade agreements with ASEAN; Australia, China, India, Japan, New Zealand and South Korea. Trade Ministers are meeting in Laos on August 5 to try to resolve some of the issues of contention and RCEP.

“If this proposal is accepted, corporations could sue Australia and other governments if they introduce public policy, including health policy, that is perceived to infringe their investment,” continued Dr Townsend.

“ISDS has been used in other countries to challenge health and environmental laws, with the public costs of cases in the millions of dollars,” said Dr Townsend.

PHAA CEO and President of the World Federation of Public Health Association Michael Moore said the Government cannot allow big companies to bully them over good public health initiatives.

“While Philip Morris lost its case against Australia over tobacco plain packaging laws, the case was thrown out on jurisdictional grounds so it isn’t a great test for ISDS and public health,” said Mr Michael Moore.

“Legal experts have pointed out that so-called safeguards in other agreements contain loopholes by which companies could still sue governments over their public health regulations, which is why the PHAA urges the government to reject the inclusion of ISDS in RCEP,” concluded Mr Moore.

For further information/comment:

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