



Persatuan Pengguna Pulau Pinang Consumers Association of Penang

檳城消費人協會 பிளாங்கு பயனீட்டாளர் சங்கம்

10 Jalan Masjid Negeri, 11600 Pulau Pinang, Malaysia
Tel: 604-8299511 Fax: 604-8298109
email: consumerofpenang@gmail.com

Websites:
www.consumer.org.my

Press Release

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Don't sign revised TPP agreement, CAP calls on government

According to news reports, the 11 countries that agreed to the Trans Pacific Partnership Agreement (TPPA), without the United States, have now concluded negotiations to sign an agreement very similar to the TPPA. Malaysia is one of the 11 countries.

Yet the Malaysian public has been kept in the dark on these recent negotiations and on the new agreement.

According to news reports, the new agreement known as CPTPP, is almost the same as the TPPA, except for a few minor changes.

This is bad news as the TPPA would have had major bad effects on the Malaysian economy and society. The new agreement will be worse in that there would not even be the benefit of selling more exports to the United States.

CAP calls on the government to reveal the contents of the new agreement. CAP also calls on the government not to sign the new agreement as it will have negative effects on the Malaysian public.

Since US President Trump said the USA would not ratify the Trans-Pacific Partnership (TPP) when he took office a year ago, the remaining 11 TPP countries have been trying to find a way to bring the TPP to life without the USA.

Yesterday in Tokyo, the 11 TPP countries (including Malaysia) concluded negotiations on what is now called the 'Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

Apart from changing the name to make it look different and better, the CPTPP keeps all the US-imposed TPP rules except for a few minor changes Canada got and the suspension of the implementation of a few provisions until the USA rejoins the TPP. Some of the TPP amendments that Canada obtained include changes to the TPP's automotive rules and its culture exception. What changes to the many problematic TPP rules did Malaysia get (as opposed to mere temporary suspensions of certain provisions until the USA rejoins the TPP)?

The Canadian Prime Minister was willing to walk out of the CPTPP negotiations in Vietnam in November 2017 to show how serious he was about getting the amendments he needed to protect Canada's national interest. Why didn't Malaysia take a similarly tough position to insist on the amendments it needs?

The 20 TPP provisions which were merely suspended include some of the problematic intellectual property rules (such as broader and longer monopolies on medicines and longer copyright protection), but not others: such as the requirement for Malaysia to join UPOV91, a treaty which a study found would require farmers to pay four times more for seeds, prevent them swapping seed they have saved from harvests and require Malaysia to remove its safeguards against biopiracy from our Protection of

New Plant Varieties Act. Even the TPP provisions which have been suspended are only until the USA rejoins the TPP, so it is not an effective safeguard.

In the meantime, the other TPP provisions live on in the CPTPP and allow the USA to free ride so their companies can enjoy the benefits without the USA having to give up anything (e.g lower tariffs on Malaysian exports to the USA). This means that in the CPTPP, Malaysia gets the costs of the TPP without the main benefit: increased exports to the USA. Has the Malaysian government done a new cost-benefit analysis of the CPTPP and what were the results?

This CPTPP process has been even more secretive than the original (very secretive and unaccountable) TPP negotiations. The only notice of the final CPTPP round was on Friday 19 January afternoon Canadian time in a Canadian news article before the negotiations started the following Monday (22 January) in Japan.[1] This has allowed the CPTPP negotiators to decide - without consulting affected Malaysians (who will face the costs in terms of increased job losses and higher cost of living etc)- which of the terrible TPP provisions to suspend. In the end, the negotiators decided that no provisions will be permanently deleted despite all the problems with the TPP's US-imposed rules.

One year ago after President Trump indicated the USA would not ratify the TPP, Dato' Sri Mustapa Mohamed promised in a MITI media release that 'Domestically, MITI and all relevant Ministries will engage with various stakeholders to get their views and feedback on the latest development of the TPP and the way forward.'[2] We have been waiting for a year and the CPTPP negotiations have already concluded and still none of us have yet been consulted on it. We know of no civil society consultations or systematic consultation of the Malaysian private sector affected by such a decision. The MITI Minister has thus broken his promise to the public.

The CPTPP text must be published immediately so Malaysians can at least see what has already been agreed in their name before it is signed[A9] . Even the original TPP text was published before legal scrubbing and before it was translated (and again afterwards). The CPTPP has already been legally scrubbed according to the Singaporean government,[3] so there is even less reason to not release the text.

CAP calls on the government not to sign the CPTPP as planned on 8 March 2018 in Chile. This is because of: (1) the total lack of consultations on the CPTPP, (2) the failure to release the CPTPP text, (3) the failure to do a cost-benefit analysis of the CPTPP, and (4) the news reports that all of the problematic provisions from the TPP are still in the CPTPP (only very few have only been temporarily suspended).

CAP believes it is unwise of the government to sign on to an agreement that obliges Malaysia to undertake binding obligations to change laws and many socio-economic policies that has very adverse impacts on the Malaysian public and society, and yet has very little benefits for Malaysians. So far the government has not explained in any comprehensible way why it has chosen to take this irrational step.

S. M. Mohamed Idris
President
Consumers Association of Penang

[1]<http://nationalpost.com/news/politics/canada-to-attend-first-trans-pacific-partnership-meeting-since-trudeaus-apec-no-show>

[2]http://www.miti.gov.my/miti/resources/Media_Release_-_Response_to_the_US_Withdrawal_from_the_TPPA.pdf

[3][https://www.mti.gov.sg/NewsRoom/SiteAssets/Pages/Conclusion-of-Negotiations-on-the-Comprehensive-and-Progressive-Agreement-for-Trans-Pacific-Partnership/Press%20Release%20on%20conclusion%20of%20CPTPP%20\(Final\)%20\(002\).pdf](https://www.mti.gov.sg/NewsRoom/SiteAssets/Pages/Conclusion-of-Negotiations-on-the-Comprehensive-and-Progressive-Agreement-for-Trans-Pacific-Partnership/Press%20Release%20on%20conclusion%20of%20CPTPP%20(Final)%20(002).pdf)