Position Paper for the RCEP Inchon Round

**RCEP: from Japanese & Korean perspective**

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We, Japanese civil society have strong concern with the RCEP because Japan and Korea proposed most aggressive provision same as TPP or worse than TPP/KORUS in the negotiation. I have to say the governmental policy of my country and your country are very harmful for people in Asia including us.

For example, in the investment chapter, there is ISDS, which would be harmed for people’s life and environment, publish policy and national sovereignty. It was proposed by Japan and Korea according to leaked texts.

And, as for intellectual property (IP) chapter, Japan and Korea also proposed very strong protection of patent rights of pharmaceutical corporation. This proposal would be the threat to affordable access to life-saving medicines in all RCEP countries. This not only affects people in developing countries, but also it is disadvantageous for patients in Korea and Japan. In my country, medical expenses guaranteed by the government are increasing every year as super aging progresses. The drug expenses in national health care costs in Japan reached at 40%. So the cost of medicine is big matter for the national health care system. It must be the same in Korea. If the patent rights will be protected as Japan and Korea proposed, it will be impossible to promptly use lower price medicines in here.

Furthermore, Japan, South Korea, and Australia proposed very harmful provisions for small farmers.

They are proposing one provision that oblige member countries to ratify International Convention names **“International Union for the Protection of New Varieties of Plants (UPOV 1991 version)”**. What is UPOV1991? Currently, most farmers in many Asian countries do farming with farm-saved seeds. According to the Asia Pacific Seed Association (APSA), farm-saved seeds account for 80-90% of all seeds in Asia. For example, farmers do in-house seed production and exchange the seeds with other farmers. They keep such kinds of rights of seed and traditional farming. But UPOV91 will restrict farmers’ rights on seeds, discourage traditional farming, and allow agribusinesses to control seed markets, thus threatening the very foundation of farmers’ farming and livelihood. UPOV91 protects the rights of companies' seeds under the name of "breeder's rights". So farmers can’t keep or exchange the seeds anymore because it is considered as violation of breeder’s rights. And they have to buy seeds every time from the seed company.

In line with the UPOV91 treaty, the reform of domestic law of seed has been strengthened in Latin America and Africa in recent years. It promotes illegalization of breeders' rights and in-house seeding / seed exchange. People in these countries call this domestic law “Monsanto law” and organized big opposing movement.

Among 16 countries in RCEP, only 5 countries have already ratified UPOV 1991. These are Japan, Korea, Viet Nam, Singapore, and Australia. Korea ratified the UPOV 1991 Convention in 2002. But many of the RCEP countries are not ratified yet. Same situation with in Latin America will be happened in Asia if UPOV91 is adopted in RCEP. So small farmers and civil society in these countries have showed their concern on this issue. Especially they want to Japan and Korea not to make such a proposal.

What will be happen in five countries which already ratified UPOV91?

In Japan, in accordance with this treaty, the Seeds and Seedlings Act was completely revised in 1998, and since then, breeders' rights have been strengthened by the domestic laws. The demand for exclusivity of genetic resources by companies is increasing more and more. And in April 2017, the government decided to abolish the "major agricultural products seed law". The Seed Law is a legal system in which the public research institutes of the central and local governments improve breeds of major agricultural crops such as rice, wheat and soybean. And this law protected stably supplies high-quality, reasonable price-seeds to farmers. As a result, we are concerned about the risk that public breeding and seed projects will be replaced by seed businesses of major domestic and multinational companies like Monsanto in future. This is not only related farmers, but also food safety for consumers, and national food security. Probably the same thing will happen in Korea as well.

And this is related to GMOs. It could get worse if RCEP moves closer to what was negotiated in the TPP. TPP requires states to allow patents on inventions “derived from plants”, which means genetically modified organisms (GMOs). While it’s likely that RCEP will have a chapter aiming to harmonise food safety standards, but we have not seen any drafts and do not know how it will regulate GMOs. All of these moves would lead not only to higher seed prices but a loss of biodiversity, greater corporate control and a possible lowering of standards for high risk products such as GMOs.

United Nation’s High-Level Panel of Experts on Food Security and Nutrition states, “There is an obvious need to increase total agricultural production in the time-path to 2050 when the world population is expected to reach its peak,” and shed light on the role of small farmers in the efforts to meet the need.

At this moment, however, concerns are growing that an RCEP agreement will destroy farming and livelihood of small farmers, rob farmers of seeds, take food and food sovereignty away from people in Asia.

Civil society of Japan and Korea has been building cooperative relationships in various fields so far. For example, we have cooperated on the issues such as “stop nuclear power plants”, environment, labor movement, and as for trade issue, WTO and KORUS and TPP. Before Japan participated in TPP, we sometimes invited guests from Korea to learn the experience of KORUS. Unfortunately, there is not much interest in RCEP in Japan right now, and it may be the same in Korea. But we should know that our countries proposed "harmful provisions", which are bad for developing countries in the short term and, in the long run, also have some negative impact on the people of Japan and Korea. Mega FTAs ​​such as TPP, KORUS and RCEP are connected and affects each other, and boost the level of rules favorable to global companies. To strengthen our cooperation between the civil society of Japan and Korea is needed. And as the global civil society we will work together on the RCEP.