

Indian Coordination Committee of Farmers Movements

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31st July 2019

To,

Shri Piyush Goyal,
Minister of Commerce and Industry,
Government Of India,
New Delhi – India.

Sub: Indian farmers concerns on the Regional Comprehensive Economic Partnership (RCEP)

Shri Piyush Goyal ji,

The signatories hereunder are members of All India Coordination Committee for Farmers' Movements (ICCFM) and South Indian Coordination Committee for Farmers' Movements (SICCFM) and we represent 12 farmers' organizations across India representing millions of peasants, small and medium size farmers, landless people, rural women and youth, indigenous people, migrants and agricultural workers. We defend peasant agriculture for food sovereignty as a way to promote social justice and dignity and strongly oppose corporate driven agriculture that destroys social relations and nature.

We have come together to place on record our objections pertaining the Regional Comprehensive Economic Partnership (RCEP). We urge and demand government that RCEP negotiations must not place any obligation on India with respect to agriculture and dairy.

India is already facing severe impact of FTAs in the industrial and agricultural sectors. RCEP would be India's biggest FTA and the country may have to offer much deeper commitments than already made under its existing FTAs with ASEAN, South Korea, Japan, Malaysia and Singapore. Like any other FTA negotiation, the RCEP negotiations completely lack any amount of transparency. No text has been made available to the public or to the sectoral groups who would be impacted by this trade deal, like the farmers, women, labour, health groups, and neither were they consulted to assess the impact. In last six years of negotiations, RCEP was never discussed on the floor of Indian Parliament, nor was any state government consulted. The consultations are always limited to the business communities in the member nations.

Another concern is ASEAN, which is at the centre of the RCEP. India already has an FTA with the ASEAN which has 16 members and it never benefited the country. It is to be noted that after signing of FTA, India's trade deficit with ASEAN surged from \$4.98 billion in 2010-11 to \$9.56 billion in 2016-17. There cannot be a more cogent statement on the inability of Indian producers to compete with their counterparts in this 16-nation mega trade agreement. It will be a disaster for India's agriculture and manufacturing sector if it agrees to the 92 per cent elimination/reduction of tariff on products under RCEP.

Another important concern about RCEP is the demand from member countries, especially Japan and South Korea, for 'TRIPS-plus' intellectual property (IP) protection for seeds, medicines and agrochemicals. This will be disastrous for Indian farmers because the country is under pressure to accede to the 1991 International Union for the Protection of New Plant Varieties Convention (UPOV) and comply with its standards. UPOV is a system of seed patenting that undermines farmers' rights to save and share patented seeds and plant materials, thus compromising seed sovereignty. UPOV 1991 gives primacy to corporate plant breeders, and restricts freedom of researchers and breeders to access protected plant varieties for further research and development. TRIPS-plus provisions also intensify monopolies over seed, pesticides, fertilisers and animal vaccines, and encourages proprietary agriculture technologies. Whilst TRIPS-plus provisions extend the monopoly rights of large corporations, they offer no such protection for the vast amounts of indigenous knowledge held by Indian farmers and local communities.

RCEP's impact on the dairy industry is another big concern for India. Two RCEP member countries, New Zealand and Australia, have aggressive interest in dairy sector. And if Indian government decides to slash duty on dairy products—especially liquid milk, milk powder [skimmed milk powder (SMP), whole milk powder (WMP)], butter, AMF (anhydrous milk fat or butter oil), and cheddar cheese—the Indian dairy industry will be heavily impacted because all these products are important export products for New Zealand and Australian dairy industry. Compared to India's 150 million dairy farmers, there are only 12,000 in New Zealand and 6,300 in Australia. India is the world's largest milk producer, with an annual production of 156 million metric tonnes (MMT), with most of it consumed domestically. There is negligible export of milk or milk products from India. On the other hand, New Zealand produces 22 MMT and exports around 19 MMT while Australia produces 15 MMT and exports 4 MMT. For this reason, dairy corporations like Fonterra (New Zealand) and Saputo (Australia) are looking to RCEP to access India's massive dairy market to dump their products. India's dairy cooperatives, like Amul, fear that if import duties on milk and milk products were eliminated under RCEP, it will severely hit not only the dairy industry and cooperatives but also the livelihoods of around 150 million dairy farmers.

Our demands :

- The Indian government must put a moratorium immediately on new FTAs and conduct comprehensive review of all existing FTAs.
- India should not open up for negotiation the critical sectors such as dairy and agriculture; agriculture must be kept out of any FTA negotiations.
- There should be no 'TRIPS-plus' obligations in agriculture for either data exclusivity or patents on seeds or breeds, etc.
- There should be no commitment related to mandatory UPOV Convention membership.
- The Indian government must bring transparency in FTA negotiating process and make all FTAs (including RCEP) negotiating texts publicly available.

- The Indian government must institute a mechanism for time to time broader public consultations on FTAs with all stakeholders including farmers organizations to take their concerns and views.
- In the spirit of federal polity, the central government must duly consult state governments and gain their consensus on issues that are in the state or concurrent lists such as agriculture, seeds or health.
- The coverage of FTAs should be strictly limited. India should not agree to open up 92% - 97% of its goods under any FTA.
- There should be no patents to be allowed on any seed/planting material-related technologies.
- Exclude essential public services such as education, health, water and sanitation as well as government procurement from FTA negotiations.
- End the excessive investor protection and corporations' right to sue governments, especially for necessary laws that protect their population or the environment.
- The Indian government should also conduct an ecological and social impact assessment study to assess the costs and benefits of all FTAs including RCEP, which India is currently negotiating, and make it available for public scrutiny.
- Given that intellectual property are included in the definition of investor rights, no ISDS provisions should be accepted.
- We also demand for a ratification process for approving FTAs in the Parliament of India.

Sincerely,

Yudhvir Singh

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