

An Open Letter from Indonesian People to President Joko Widodo

International Economic Cooperation in Indonesia: "Open Public Space Intervention"

His Excellency
President of the Republic of Indonesia
Mr. Joko Widodo

Cq: Coordinating Minister for Economic Affairs ; Minister of Trade; Minister of Foreign Affairs; Office of Presidential Staff (KSP), Minister Of Health

Dear Mr. President,

With most respect, allow us, the people of Indonesia, which unite in Civil Society Coalition for Economic Justice, through this letter, to deliver our views and opinions related to diplomacy strategy of international economic in Indonesia.

On 20-21 of September 2016 Indonesia will hold the first round of CEPA negotiations with European Union. Soon also CEPA negotiations with Australia and New Zealand will begin. Even the ASEAN RCEP plan to be finalized at the end of this year. At the same time Government are reviewing and considering Indonesia to join the Trans-Pacific Partnership Agreement (TPP).

In relation to that, **we noted that the model of economic co-operation that mentioned above is no longer to simply regulate narrow terms of trade cooperation (export-import)**, but also widely regulate economic and social aspect and have a direct impact on the lives of the people of Indonesia, even the sovereignty of the country is at stake. Through some settings Known as as "WTO Plus", s, such as: guarantees of the protection of investment, Government Procurement, competition and State-owned enterprises ENTERPRISES (SOE), TRIPS Plus, as well as encourage the expansion of the service trade arrangements scope as set forth in Plurilateral Trade in Services Agreement (TiSA).

We see that the setting of trade agreements and international economic cooperation will be extensively inflict a broader potential impact toward public policy spaces. Not only related to the potential threats over the injustice of economic development, but also threatening fulfillment of the community's social and economic rights due to constriction of the policy space of the State that "hostage" by the investor-state dispute settlement (ISDS). Indonesia already had many bad experiences with these mechanisms.

Furthermore the implementation of the ban on local content requirement and restrictions on technology transfer will further restrict the movement of the national construction industry, and even shut down space for national industry to advancedly develop. Surely this is contrary to the spirit of national competitiveness improvement.

Patent issues in intellectual property rights have also become one of the obstacles to development of pharmaceutical industry in Indonesia. Not only that, patent protection of drugs that regulate the extension of patent by patent holder has created conditions which impede the availability of generic medicines in addition to the increase in drug prices. The existence of article flexibility for the use of patents by the Government or (Government Use) is not an easy matter in its implementation. Patent protection under intellectual property rights certainly has limit community access to medicines at low prices.

What mentioned above are only small part of the overview on potential impact of CEPA, RCEP and TPP against public policy spaces. There are still many provisions that need to be examined and studied closer to which have potential of direct impact on the public rights.

Dear Mr. President,

We also analyses that the model of development in investment activity and large-scale trade has devastating effect on the environment and destruction of the people sources of livelihood.. On one hand, CEPA, RCEP and TPP require maximum protection to the investors and ensure the implementation of investment projects with a conducive climate of investment policies. However, on the contrary CEPA, RCEP and TPP recovery scheme does not regulate the rights of the impacted people from the trading and investment activities.

Moreover, the actual experience of EU-Vietnam CEPA indicates that the provisions in the chapter of "Sustainable Development" has no legal force because it was not made binding and does not contain sanctions mechanism. This further proves that the CEPA, RCEP and TPP away from the principles of the

protection and fulfillment of human rights, as well as further segregate our expectations on achievements in sustainable development.

Therefore, Mr. President, **study of the economic impact from international trade agreements will not be sufficient. It requires a comprehensive study beyond merely economic issues that directly impacted and extends to the rights of society (human rights).** Therefore, we would ask Mr. President to not rush in the process of negotiation and objectively calculate the impact of the agreement to the social and economic rights of the people.

His Excellency Mr. President,

We see that the Government of Indonesia does not open democratic spaces within international economic diplomacy. During these times, Indonesia's involvement in international economic cooperation remains a political decision of the Government of Indonesia unilaterally without public involvement. Negotiations process conducted behind closed doors and close public access to information about the contents of negotiations which will have direct impact to the public. Public space interventions to the contents of the agreement and negotiations process have been closed.

Government of Indonesia has discriminate the process of communication to the public. The Government only give priority to business group because international economic and trade agreements is consider will only apply to this sector. The Government has forgotten civil society groups and affected people, overlooking how the agreement will affect them.

Referring to the widespread impact of CEPA, RCEP and TPP for the society's social and economic rights and limit the spaces of public policy, **it is appropriate that all the decisions of the Government related to the binding of Indonesia to various international trade agreements must involve the public, particularly civil society groups and affected people. Further, to review all international trade agreements when it is found to be violating social and economic rights of the people.**

The space for democratic process should be opened by the Government. The public is entitled to know the content of the agreements that are being negotiated. Forum of public intervention must be opened permanently and sustainable. The process of public communication must be done in both ways. A democratic and inclusive process in the negotiations of trade agreements and international economy will encourage the creation of economic justice for all the people of Indonesia.

Therefore, we, the Civil Society Coalition for Economic Justice hereby urge President of the Republic of Indonesia, Mr. Joko Widodo to:

1. Conduct human rights impact assessment prior to negotiating the trade agreements and international economic cooperation involving all stakeholders, considering the impact of CEPA, RCEP and TPP that has restricted policy spaces and potentially threaten the social rights of Indonesian community.
2. Make the results of human rights impact assessment as the basis of decision-making and negotiations process in the trade agreements and international economic cooperation.
3. Open space for public intervention widely without any discriminatory treatment in the process of negotiating trade agreements and international economic cooperation.
4. Establish a forum of permanent and sustainable public communication, in which civil society groups can take the role to strengthen the process of economic diplomacy and agreement negotiations which done by the Government.

On behalf of,

Indonesian Civil Society Coalition for Economic Justice

Indonesia for Global justice (IGJ) – WALHI - Woman Solidarity – SERUNI - SatuDunia – SafeNet -
Indonesia AIDS Coalition – KruHA – LIPS Sedane

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