Press Release
The Civil Society Coalition for Economic Justice

RCEP will actually aggravate the Health and Economic Crisis in the Middle of the Pandemic

Jakarta, June 11th 2020 - The Covid-19 epidemic has infected more than 7 million people, and caused the death of more than 400 thousand people worldwide. This pandemic has caused health crises, even economic and food crises due to preventive measures taken to prevent the spread of this case in various countries, such as lockdown or regional quarantine. Indonesia is no exception, where the number of infected people has reached more than 35 thousand people. The number of COVID-19 positive patients will continue to increase as the swab tests is carried out.

In the midst of an ongoing pandemic and its accompanying health protocols, trade negotiations to finalize the Regional Comprehensive Economic Partnership (RCEP) continues. At 20th to 24th April 2020, RCEP hold a TNC (Trade Negotiating Committee) meetings which was followed by 15 countries, namely ASEAN, Japan, Korea, Australia, New Zealand and China. Likewise, as planned for 10 th and 11th June 2020, RCEP will hold a TNC meeting virtually.

Indonesia Aids Coalition (IAC) believes that during the health and economic crisis in various regions of the world and in Indonesia, appropriate measures to protect people from pandemics and ensure affordable and adequate health services for all while ensuring the safety protection of health workers should be a priority.

"With the patient increases, not only hospitals are overwhelmed by the new patients, but also the health care for existing patients, and patients with chronic diseases will be disrupted. For example, dialysis services, HIV treatment, even a woman in labor. For these patients it also becomes an additional burden, for the payment of rapid tests, purchase of personal protective equipment, amidst the declining of public revenue. " As stated by the IAC.

RCEP negotiate comprehensive trade agreements, including the liberalization of trade in goods, opening the services sectors, investment liberalization and strengthening the intellectual property rights. *"We are disappointed that the government is still working to finalize the RCEP negotiations in the midst of a pandemic Covid -19. With the existence of a pandemic, the government should instead conduct a comprehensive assessment of the draft text in the RCEP agreement, and review articles that have the potential to hamper in handling the pandemic and economic recovery,* "said Rahmat Maulana Sidik, the Coordinator of the Indonesian Advocacy for Global Justice (IGJ) .

Maulana added that Indonesia already had a free trade agreement (FTA) with 15 other RCEP countries, the latest one was the Free Trade Agreement with Australia. Tariffs on Indonesian export products to these countries are very low even zero percent, the investment regime in Indonesia has open to foreign investors. Indonesia's exports to RCEP countries will not significantly change, it may even be flooding imports of RCEP countries' products. As Maulana stressed, *"Therefore, finalizing the RCEP negotiating should not be a priority,"*

Criticism to RCEP did not only come from civil society groups, but also from the participating countries such as India. Lutfiyah Hanim of the Third World Network said, *"even in November 2019, India decided to leave the RCEP negotiations after analyzing the text of the RCEP agreement being negotiated that would increase India's trade balance deficit with RCEP countries, such as China. There is also concern for the local industry and the fate of the agricultural sector, especially the fate of dairy farmers, for the flood of imported products that various community groups in India have conveyed to their governments."*

Arieska Kurniawaty from Solidaritas Perempuan (Women's Solidarity) emphasized that the Government should focus on addressing COVID-19, as many countries are trying to find the treatment and vaccines for COVID-19. While the government do the opposite. *"The RCEP agreement could hamper the access to drugs and vaccines that are needed by the community. The draft regulates the protection of IPR (intellectual property rights) which will strengthen the pharmaceutical companies' monopoly over drugs and vaccines,"* said Arieska.

In addition, Arieska highlighted RCEP which liberalized all sectors. *"This agreement has the potential to encourage labor flexibility without efforts to protect labor rights. In this case women who are more pressured to reduce wages, decent work standards and other rights protection,"* said Arieska.

While in the midst of this pandemic situation, many countries are trying to secure food supplies for their citizens, by imposing temporary restrictions on food trade outside their countries, as stated by Kartini Samon from GRAIN. Kartini exemplified the decision made by a number of ASEAN countries such as Vietnam, Myanmar and Cambodia to close their rice exports for several weeks at the end of March, while Thailand decided to close its egg exports for one week to prevent domestic supply shortages. In the current pandemic situation, when various countries close their boundaries, the fulfillment of food production at the local level becomes very necessary.

Zainal Arifin Fuad from the Indonesian Peasant Union said that *"continuing trade negotiations in the midst of a pandemic is a bad move, considering the government should focus more on the conditions of agriculture and food in the country which was severely affected. Pandemic caused difficulties for peasants to distribute food so that the selling price dropped."* Zainal continued to stated that *"the government should focus on social security for peasants by continuing or issuing relevant policies such as ensuring the agrarian reform and policies that support food sovereignty. Supporting local agricultural production will be difficult if the RCEP agreement is concluded,"* Zainal said.

Press Release
The Civil Society Coalition for Economic Justice

The RCEP agreement will more displacing the local food production. The policy steps taken by a number of these countries may not be possible if they are bound to a free trade agreement such as RCEP. It will only be making it even harder to overcome the prolonged of economic and health crisis that is happening right now.

========

Civil Society Coalition for Economic Justice (MKE Coalition):
Indonesia for Global Justice (IGJ), Women Solidarity (SP), The People's Coalition for Justice in Fishery (KIARA), Third World Network, Indonesian Forum for the Environment (WALHI), Indonesian Peasant Union (SPI), Coalition for the Right to Water (KRuHA), Indonesian Traditional Fishermen Association (KNTI), People's Struggle Association (KPR), Indonesia Aids Coalition (IAC)

Contact Person:

Arieska Kurniawaty, Solidaritas Perempuan - +62 812 8056 4651
Rahmat Maulana Sidik, Indonesia for Global Justice (IGJ) - +62 812 8048 0561
Zainal Arifin Fuad, Serikat Petani Indonesia (SPI) - +62 812 8932 1398

Press Release
The Civil Society Coalition for Economic Justice