

Call to Cancun: Halt the GATS Negotiations. Take Essential Services, Such As Water, Out of the WTO.

Source:
IATP

Civil Society Submission to the World Trade Organisation's (WTO) 5th Ministerial Conference in Cancun, 10-14 September 2003

As trade ministers from the WTO's 146 member countries meet in Cancun, we call on them to halt discussions on the General Agreement on Trade in Services (GATS) and to resist any contrary attempts which seek to speed up these negotiations. The United States and the European Union, whose corporations have most to gain from these talks, are pushing for a political declaration in Cancun calling on all WTO members to submit their services, including essential services, to the GATS. For these corporations, GATS promises access to new markets and enhanced rights.

In Cancun, promises made by developed countries in other WTO areas will be used to extract progress on GATS, even though GATS is not a key agenda item. This puts immense pressure on developing countries to commit more of their services, including basic services such as water, to the WTO's binding trade rules.

The GATS proponents repeatedly frame their ambitions in the context of development. They refer to the 'Doha Development Agenda'. In water specifically, the EU publicly claims that current negotiations, 'could potentially contribute to international efforts to improve access to water.' Yet in confidential internal memos between the European Commission and the top three European water companies (Suez, Vivendi and RWE), the EC states that, 'one of the main objectives in the current round of negotiations is to achieve real and meaningful access for European service providers for their exports of environmental services [which includes water services].'

In July 2002, as part of ongoing GATS negotiations, the EU submitted demands to 109 countries, requesting ambitious levels of market access for its corporations. This included requests to 72 countries, several of them least developed countries, requesting access to their water services. The US also submitted extensive and controversial demands, which under the guise of 'transparency' render domestic decision-making vulnerable to foreign commercial interests.

Developing countries have every reason to resist such far-reaching demands. So far, the liberalisation of water services has caused grave problems in countries where the involvement of foreign multinationals has typically made water more expensive than poor households can

afford. Any country making GATS commitments in water would bind is such liberalisation for the future, making it effectively impossible for it to withdraw, even if service provision is unaffordable to the poor, the water service is of poor quality, or a future government wishes to change the policy.

The United Nations Sub-Commission on Human Rights, concerned with the effect of GATS on universal service obligations, suggests that GATS conflicts with the human rights obligations, of WTO member countries. Barely a year ago at the UN World Summit on Sustainable Development in Johannesburg, heads of the governments made commitments to halve the proportion of people without access to water and that of those without access to sanitation by 2015. But the evidence from many communities, especially those in the developing world, is that the global water crisis will worsen if water is subjected to WTO rules that put corporate interests ahead of the right to water as fundamental to life.

In order to make these obligations a reality we call on Ministers meeting in Cancun to halt the current GATS negotiations and keep essential services, such as water, out of the WTO.

Contact Char Greenwald at <cgreenwald@iatp.org> to add your name to this call