



TRADE AND INVESTMENT AGREEMENTS AND THE THREAT TO QUALITY PUBLIC SERVICES

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SOME CURRENT TRADE & INVESTMENT TREATY NEGOTIATIONS

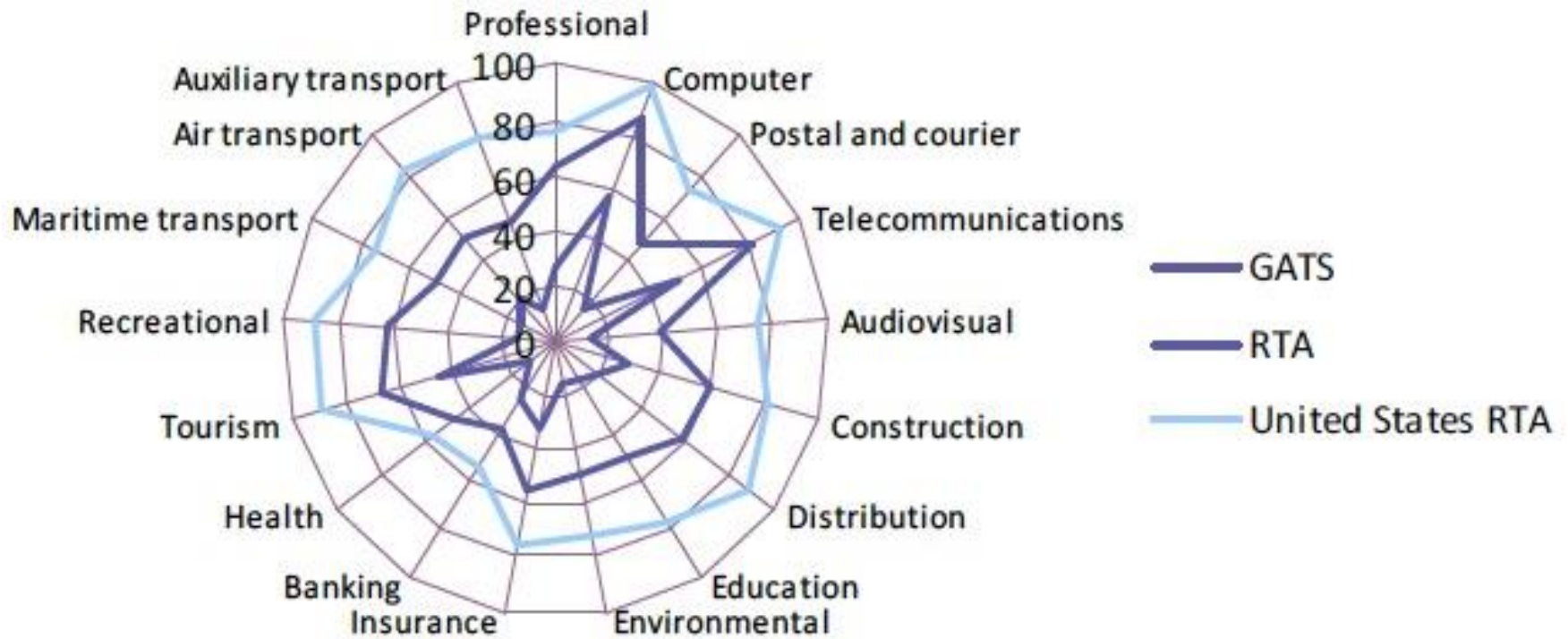
- WTO (GATS): 159 countries are members, http://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm
- TPP: Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, USA, Vietnam
- TISA: Australia, Canada, Chile, Chinese Taipei, Colombia, Costa Rica, European Union, Hong Kong, Iceland, Israel, Japan, Liechtenstein, Mexico, New Zealand, Norway, Pakistan, Panama, Paraguay, Peru, Republic of Korea, Switzerland, Turkey and the United States.

SOME CURRENT TRADE & INVESTMENT TREATY NEGOTIATIONS CONTINUED

- EU negotiating FTAs with Africa, Pacific, ASEAN, Azerbaijan, Canada, Ecuador?, Gulf Cooperation Council, India, Iran, Japan, Mercosur, Russia, USA, http://trade.ec.europa.eu/doclib/docs/2006/december/tradoc_118238.pdf .
- EFTA = Iceland, Liechtenstein, Norway, Switzerland
 - negotiating FTAs with Algeria, Guatemala and Honduras, India, Indonesia, Malaysia, Russia, Belarus and Kazakhstan, Thailand, Vietnam, <http://www.efta.int/free-trade/ongoing-negotiations-talks>
- BITs: ?
 - Canada's: <http://www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/fipa-apie/index.aspx?lang=eng>

Developing Country Service Commitments: Much greater in US FTAs than GATS

Source: UNCTAD 2014



SOME INVESTMENT PROVISIONS

- Broad definition of investment including profits/future profits and existing investments
- Broad definition of investor (including those from 3rd countries)
- Binding on state owned enterprises and subnational governments
- Ban on capital controls, including a Tobin tax
- ‘fair and equitable treatment’ requirement
- Compensation for expropriation
- No counterclaims
- Investor-to-state dispute settlement (ISDS) including:
 - Unlimited monetary damages
 - Compound interest, compounded monthly, at commercial interest rates, from the date of the government measure
 - Insufficient conflict of interest rules

EG OF WAYS WATER SOE CAN BE AFFECTED

- Liberalisation of services/investment (TISA, TPP, EU, EFTA, WTO) so more competition
- Domestic regulations disciplines:
 - Licensing fees commensurate with cost (so cannot use to subsidise poor users etc)
 - No maximum water price
- SOE disciplines
- GP
- Investment chapter: ISDS disputes

THANK YOU

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