

NO INVESTMENT NEGOTIATIONS AT THE WTO

Declaration of Non Governmental Groups and Civil Society Movements

We, members of civil society organizations from developing and developed countries, explicitly reject the launch of negotiations on investment and the other Singapore Issues at the Ministerial Conference in Cancun this September.

We have gathered from a broad spectrum of civil society groups, including groups working on development, environment, faith-based, social, labor, human rights, food security, gender, and rural and indigenous community issues. We have met over four days in Geneva in the shadow of global conflict and have reached the following conclusions.*

Previous attempts to negotiate a multilateral agreement on investment, including the failed Multilateral Agreement on Investment (MAI), have been criticized by civil society around the world as overly focused on investor protections and for failing to adequately address poverty reduction, sustainable development, and corporate accountability and liability.

Discussions to date within the WTO's Working Group on the Relationship between Trade and Investment indicate that some WTO Members such as the EU, US and Japan are similarly focused almost exclusively on granting greater rights to transnational investors to hold themselves above national decisions on development priorities, macroeconomic policy, environmental directives, and implementation of international human rights law and norms.

Foreign direct investment can make a positive contribution to sustainable development when undertaken within a strong regulatory framework that will maximize the benefits and minimize the costs of investment. Most, if not all, developed countries have made use of policy tools, such as performance requirements, to ensure that incoming investment would help to develop infant industries, enhance export capacities, and promote inward technology transfers, and yet many developed countries now seek to "kick away the development ladder" by denying developing countries the right to use identical policies.

Existing international investor protection rules in the North American Free Trade Agreement (NAFTA) and hundreds of bilateral investment agreements, as well as in provisions in contracts and loan agreements, are being used to challenge and seek compensation for governmental actions that are essential to achieving a just and sustainable future. This is a problem that affects both developing and developed countries. The filing of new claims by corporate investors in international arbitration is increasing at an alarming rate.

* This statement was initially prepared and signed by more than 40 organisations from around the world which participated at a NGO workshop on "Briefing and Update on WTO Negotiations on Investment and New Issues" in Geneva, Switzerland from 18-21 March 2003.

While the threats to regulatory prerogatives of governments is clear, there is little if any empirical evidence that adopting the types of investor protection rules being discussed at the WTO and negotiated in the Free Trade Area of the Americas and elsewhere will lead to any increase in the amount or quality of investment flows.

The WTO is the wrong forum for global investment talks. Moreover, the WTO is in the midst of a crisis as it is not making progress on issues of fundamental importance to developing countries and many other constituencies. Moreover, adding the Singapore issues (investment, competition, transparency in government procurement and trade facilitation) to an already crowded agenda will prevent the WTO from undertaking the reforms and rebalancing necessary.

Finally, WTO negotiations on investment and the other Singapore issues would result in rules that developing countries in particular do not need and cannot afford.

Therefore, we call upon the Members of the World Trade Organization to:

- **Explicitly reject the launch of negotiations on investment and the other Singapore Issues at the Ministerial Conference in Cancun this September,**
- **Reject the NAFTA/MAI approach to investment liberalization.**

Signatories:

- Third World Network, Malaysia
- Center for International Environmental Law
- Oxfam International
- Institute for Agriculture and Trade Policy, US
- World Wide Fund for Nature, International
- Public Services International
- Congress of South African Trade Unions (COSATU), South Africa
- Greenpeace International
- World Development Movement, UK
- World Economy, Ecology and Development (WEED), Germany
- INESC, Brazil
- Berne Declaration, Switzerland
- Institute for Global Justice, Indonesia
- Gender and Economic Reform in Africa (GERA)
- Third World Network, Africa, Ghana
- Africa Trade Network
- International Gender and Trade Network
- The Norwegian Forum for Environment and Development, Norway
- Action Aid
- The Network for Consumer Protection, Pakistan
- Transform India Group, India
- Society for Conflict Analysis and Resolution, India

- The Danish NGO Coalition (The 92 Group), Denmark
- Women and Development, Denmark (KULU)
- Friends of the Earth, Netherlands
- Swiss Coalition of Development, Switzerland
- Campagna - per la Riforma Della Banca Mondiale, Italy
- Centro para la Denfensa del Consumia, El Salvador
- REBRIP, Brazil
- Bisan Center for Research and Development, Palestine
- Consumers Association of Penang, Malaysia
- Friends of the Earth Malaysia
- World Forum of Fish Harvesters and Fishworkers
- Coalition of the Flemish North-South Movement - 11.11.11., Belgium
- Instituto del Tercer Mundo (ITeM), Uruguay
- Global Exchange, US
- Focus on the Global South
- Friends of the Earth, England, Wales and Northern Ireland
- Hemispheric Social Alliance
- Red Accion Ciudadana Frente al Comercio e Inversion (SINTI TECHAN) de El Salvador
- California Coalition for Fair Trade and Human Rights, US
- Caribbean Reference Group on External Relations
- Centre du Commerce International pour Le développement, Guinea
- Enda Tiers Monde, Senegal
- Public Citizen, USA
- EcoNews Africa, Kenya
- Solon Foundation, Bolivia
- Arab NGO Network for Development (ANND), Lebanon
- Trocaire East Africa, Kenya
- Social Development Network (SodNet), Kenya
- Institute of Economic Affairs, Kenya
- RODI Kenya (Trade Policy Programme)
- Kenya National Farmers Union
- Friends of the Earth Finland
- Institut de recherches de la FSU, France
- Center of Concern, US
- U.S. Gender and Trade Network,
- African Women's Development and Communications Network (FEMNET), Kenya
- Initiative Colibri, Germany
- Sindicato Estadual dos Profissionais da Educação do Rio de Janeiro
- Red Mexicana de Accion Frente al Libre Comercio, Mexico
- Centre du Commence International pour le Developpement (CECIDE), Guinee
- IRDF - Integrated Rural Development Foundation, Philippines
- Asia Pacific Network on Food Sovereignty [APNFS]
- RCPD -Resource Center for People's Development, Philippines

(As of 27th March 20, 2003)