

# THE EVIAN CHALLENGE

## A CIVIL SOCIETY CALL FOR THE EU TO WITHDRAW ITS GATS WATER REQUESTS

JUNE 2003

The G8 meets this week on the shores of Lake Geneva, in Evian. Appropriately, the summit has identified water as one of its key themes, with talk of a ‘global plan’ to meet the Millennium Development Goal of halving the proportion of people without access to safe drinking water and sanitation by 2015.

Yet across the lake, in Geneva itself, EU trade negotiators are using the services negotiations of the World Trade Organisation (WTO) to open up other countries’ water sectors for the benefit of Europe’s private sector water industry. Under the ‘progressive liberalisation’ programme of the General Agreement on Trade in Services (GATS), the EU has targeted the water sectors of 72 other WTO member countries for liberalisation – including developed, developing and least developed countries alike.

The EU has made no secret of the fact that it sees GATS as “first and foremost an instrument for the benefit of business, and not only for business in general, but for individual service companies wishing to export services or to invest and operate abroad.” Building on the EU’s attempt to include ‘water for human use’ under the category of environmental services in the current GATS negotiations, an internal memo from the European Commission to Thames Water confirmed:

*One of the main objectives of the EU in the new round of negotiations is to achieve real and meaningful market access for European service providers for their exports of environmental services.*

European service providers dominate the global water market. The world’s top two private sector water companies, Vivendi and Suez (both French), control 70% of all private water services between them. The third largest is Thames Water, now part of German utilities conglomerate RWE. For these companies and their smaller competitors (most also European), GATS promises access to new markets and enhanced rights.

Yet the liberalisation of water has caused grave problems in many countries, where the involvement of foreign multinationals has typically raised water tariffs far beyond the reach of poor households. Any country making GATS commitments in water would bind in such liberalisation for the future, making it effectively impossible for it to reverse the liberalisation – despite its negative impacts on the poor.

There has been massive opposition from across the world to the EU’s GATS water requests. Several EU member states have criticised the requests, making charges of EU hypocrisy at a time when (quite rightly) the EU is not offering its own water distribution services for liberalisation under GATS. Even parts of the private sector water industry itself have spoken out against the inclusion of water in the GATS negotiations, and developing countries such as South Africa have called for water to be taken out of GATS altogether.

**In view of the potential damage which GATS liberalisation commitments could cause to vulnerable communities worldwide, we call on the EU – and in particular its G8 members: France, Germany, Italy and the UK – to withdraw its water requests of other WTO members immediately.**

**We also call on the EU to withdraw its proposal to reclassify the GATS category of environmental services, by which it intends to bring ‘water for human use’ into the current GATS negotiations.**

Signatories (May 21 2003):

11.11.11 (Coalition of the Flemish North South Movement), Belgium  
Africa-Europe Faith and Justice Network  
Agir Ici, France  
Alliance of Progressive Labor (APL), the Philippines  
Aritjol, Spain  
A SEED Japan  
Asia Pacific Network on Food Sovereignty (APNFS)  
ATTAC Austria  
ATTAC Denmark  
ATTAC France  
ATTAC Spain  
ATTAC Sweden  
Bangladesh Krishok Federation  
Berne Declaration, Switzerland  
Both ENDS, Netherlands  
Bretton Woods Project, United Kingdom  
Bund für Umwelt und Naturschutz Deutschland (BUND) / Friends of the Earth, Germany  
Business Watch Indonesia  
Campagna della Riforma della Banca Mondiale (CRBM), Italy  
Center for Encounters and Active Nonviolence, Bad Ischl, Austria  
CETIM (Europe - Third World Center), Switzerland  
CESTA / Friends of the Earth, El Salvador  
Citizens' Network on Essential Services, United States  
COECOCeiba / Friends of the Earth, Costa Rica  
Colibri (Globenet3 Germany)  
Council of Canadians, Canada  
Comite Social pro Vida, Cochabamba, Bolivia  
Coordinadora de Defensa del Agua y de la Vida, Cochabamba, Bolivia  
Corporate Europe Observatory (CEO)  
Development VISIONS, Pakistan  
Environmental Foundation / Friends of the Earth, Sri Lanka  
EQUATIONS (Equitable Tourism Options), India  
Federación de Trabajadores Fabriles de Cochabamba, Bolivia  
Foundation for Community Development, Mozambique  
Friends of the Earth Canada  
Gender and Economic Reforms in Africa, Ghana  
Initiatives de Développement Stratégique, France  
Institute for Agriculture and Trade Policy (IATP), United States  
Integrated Rural Development Foundation (IRDF), Philippines  
JACSES, Japan  
KOSA Co-ordination Southern Africa, Germany  
Lunaria, Italy  
Mexican Action Network on Free Trade (RMALC), Mexico  
Monitoring Sustainability of Globalization (MSN), Malaysia  
Mwelekeo Wa Ngo (MWENGO), Eastern and Southern Africa  
ODA Watchers, Japan  
Organisation pour le Renforcement des Capacites de Developpement (ORCADE), Burkina Faso

REDES / FoE Uruguay  
Research Foundation for Science, Technology and Ecology, India  
Rete di Lilliput, Italy  
Save the Children, United Kingdom  
Social Watch  
SOMO (Centre for Research on Multinational Corporations), The Netherlands  
Sweetwater Alliance, Michigan, USA  
Tearfund, United Kingdom  
Transnational Institute (TNI)  
UNISON, United Kingdom  
WALHI (Indonesian Forum for Environment) / Friends of the Earth, Indonesia  
War on Want, United Kingdom  
WaterAid, United Kingdom  
Water Pressure Group, Auckland, New Zealand  
Wells for India, United Kingdom  
Weltumspannend Arbeiten, Austria  
World Development Movement, United Kingdom  
World Economy, Ecology & Development (WEED), Germany